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DEVELOPMENTS IN EUROPE, APRIL 1986

106 ORIGINAL

HEARING

BEFORE THE

SUBCOMMITTEE ON
EUROPE AND THE MIDDLE EAST

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

H.J. Res. 262

APRIL 8, 1986

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DEVELOPMENTS IN EUROPE, APRIL 1986

Consideration of House Joint Resolution 262

TUESDAY, APRIL 8, 1986

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON EUROPE AND
THE MIDDLE EAST,
Washington, DC.

The subcommittee met at 2:07 p.m., in room 2255, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the subcommittee) presiding.

Mr. HAMILTON. The subcommittee will come to order. The Subcommittee on Europe and the Middle East meets today in open session to hear testimony from Assistant Secretary of State for European and Canadian Affairs, Rozanne L. Ridgway. The subcommittee will also consider House Joint Resolution 262 condemning the treatment of the Turkish minority by the Bulgarian Government. This resolution is sponsored by Congressman Mark Siljander, a member of the subcommittee.

Today's hearing will concentrate on recent major developments in U.S. policy toward the Soviet Union as well as events affecting U.S. relations with Western Europe. The subcommittee is interested in the present state of United States-Soviet relations in the wake of the Geneva Summit, the apparent lack of progress in arms control discussions, and the prospect for a United States-Soviet summit this year in the United States.

In relations with Western Europe there is concern about the trend in United States-European trade relations, especially in light of the President's announcement on March 31 of a series of proposed retaliations against the European community.

The subcommittee also continues to have a strong interest in the Strategic Defense Initiative, and the substance of agreements we have negotiated with other governments, most recently the Federal Republic of Germany on their participation in SDI research.

Secretary Ridgway, we are grateful for your appearance. I understand you have a statement. That prepared statement, of course, will be entered into the record in full. You may proceed with whatever opening remarks you think are appropriate before we turn to questions. We welcome you before the subcommittee.

STATEMENT OF HON. ROZANNE L. RIDGWAY, ASSISTANT SECRETARY, BUREAU OF EUROPEAN AND CANADIAN AFFAIRS, DEPARTMENT OF STATE

Ms. RIDGWAY. Thank you, Mr. Chairman. It's always a pleasure to be here. I would like to simply to pick out from the prepared statement some sentences or several which respond to the points that you just mentioned as being of particular interest to the subcommittee.

Since we last met, the European Community has levied unacceptable penalties on our agriculture exports to the enlarged Common Market.

Secretary of State Shultz has traveled to Greece and Turkey as well as France and Italy. The United Nations Secretary General has put forward a draft framework agreement for a Cyprus settlement. The Spanish people have voted to stay in NATO. French parliamentary elections have resulted in a government coalition of conservative parties sharing power with socialist President Mitterrand.

Sweden lost its Prime Minister Olaf Palme to an assassin's bullet, and just last week the United States signed a memorandum of understanding with the Federal Republic of Germany covering FRG participation in SDI research.

I will just touch on each of these briefly. Then I will make myself available for questions.

EC enlargement: As you noted, the President announced on March 31 that unless the European Community rescinds its illegal quotas on our exports of oilseeds and grains to Portugal and provides prompt compensation for the losses of our corn and sorghum sales to Spain, the United States will establish quotas, increase tariffs on EC products entering our market.

On the Secretary's trip to Turkey and Greece: Beginning with Turkey, it provided an opportunity to appreciate at firsthand the strategic importance of that country and as well gave us an opportunity to see firsthand the significance of Prime Minister Ozal's bold and imaginative economic reform program.

All of us were impressed by the need to support in every possible way the Turks' efforts to modernize their armed forces and consolidate their democratic institutions and set the foundations for stable economic growth.

We addressed there also the need to expand our economic and trade relations and the United States-Turkish Defense and Economic Cooperation Agreement. The subject of textiles figured importantly in the conversations there, and with the Turks having an interest in greater access for their exports and we, of course, noted the complexity of the textile sector and expressed our interest in the relationship in encouraging trade with and investment in Turkey in the private sector.

In Greece, Athens, the Secretary met with Prime Minister Papandreou. The talks were conducted in a positive atmosphere and constituted an important step in our continuing mutual effort to improve relations in line with the statement made by Prime Minister Papandreou last year that Greece and the United States should move the relationship to calmer waters—a desire shared by Presi-

dent Reagan. Secretary Shultz and Foreign Minister Papoulias after this statement was made last year, subsequently agreed to proceed to a step-by-step process to achieve this. My prepared statement lists in some paragraphs the kinds of progress that we have made following that procedure of going step by step.

We had good discussions on the future of United States military facilities in Greece. We did not come to a conclusion, but we did agree that a serious discussion of this question would take place in time to permit orderly resolution of the question well prior to December 1988.

On the Cyprus initiative of the Secretary General, of course, the Secretary General on March 29 presented to senior Greek and Turkish Cypriot representatives a draft framework agreement to set forth principles on the nature of a future Federal Republic of Cyprus and to establish a process for working toward an overall Cyprus settlement. We have expressed consistently our support for the effort of the Secretary General, and on the recent visit to Turkey and Greece Secretary Shultz encouraged those governments both to support the Secretary General's efforts.

On the Spanish referendum, on a previous appearance here I have been asked about this as we all watched the calendar come toward the date of the referendum—and I think we are all encouraged as we see the outcome of that, and we believe that the Western alliance was strengthened by the March 12 vote for continued Spanish participation in NATO.

Prime Minister Gonzalez has made clear that Spain wants to increase its role in Western collective defense. Our two governments agreed in December of last year to begin in the first half of 1986 preliminary negotiations in a process that will lead to the renewal of our base rights accord.

On the new French Government, as a result of the recent French parliamentary elections, a coalition of conservative parties now holds the majority in the National Assembly. This cohabitation arrangement with the President from one political party and an opposition Prime Minister is unprecedented. We did have a chance when we were in Paris in the course of the Secretary's recent trip to meet with both President Mitterrand and Prime Minister Chirac, and we had a chance also to speak with the new foreign minister, Jean-Bernard Raimond.

The West German participation in SDI research which you mentioned as being of special information—special interest to the subcommittee, on March 27 Secretary Weinberger and Minister Bangemann from the Federal Republic signed a memorandum of understanding in Washington providing the comprehensive basis for the participation of German industry, research establishments and other entities in the SDI Research Program in a manner commensurate with the protection of sensitive technology.

They also signed at that time a joint understanding of principles for technology cooperation which is a nonbinding accord addressing general principles for United States and German industrial, scientific, technological and security cooperation.

The status of United States-Soviet relations, I will leave the text as it is here and pick up from the Secretary's own press conference this morning following the meeting at the White House between

now Central Committee Secretary Dobrynin and the President, and say that we have agreed to a meeting between Secretary Shultz and Foreign Minister Shevardnadze in Washington in mid-May. That will provide an opportunity we believe to restore some momentum to the discussion of the relationship across the range of categories that we have, that we have incorporated in our relationship. That's arms control, regional issues, bilateral relations and human rights.

I can tell you that at the meeting this morning the President made very clear that we are ready to move forward, that we want to achieve substantive agreement at the next summit, and that we attach no preconditions to the invitiation the President extended for General Secretary Gorbachev to visit the United States.

We are concerned that the Geneva arms control negotiations have not budged in any significant fashion on human rights. There have been some positive steps since I last appeared here, such as freeing Anatoly Shcharansky and resolving a number of separated spouses and divided family cases, but we were disappointed that in March the figures show a very sharp downturn in emigration from already really very low levels, and the general picture remains quite bleak.

There are positive elements. The President's people-to-people programs are beginning to go forward. Air service will be resumed on the 28th or 29th of this month, so there are, there are some areas in which in fact we have been able to work forward from the joint statement in Geneva.

On the regional issues, the picture is mixed. You will recall that we agreed to a series of resumed series of regional experts meetings, continuing dialogue at the expert level. It helps us to provide a better understanding of our respective goals and intentions.

Chet Crocker met with his Soviet counterpart in Geneva on March 6 for a discussion on Africa. I will describe it as just that—a discussion. There will be more such talks in the next few months.

That then is as capsulized as I can make it, Mr. Chairman, and I leave for you and members of the subcommittee the time for questions that are to your interests.

[The prepared statement of Ms. Ridgway follows:]

Prepared Statement of Assistant Secretary of State Rozanne L. Ridgway

Mr. Chairman, I'm pleased to be here today to give the Subcommittee an update on Europe. Since we last met, the EC has levied unacceptable penalties on our agriculture exports to the enlarged Common Market. Secretary of State Shultz has traveled to Greece and Turkey, as well as France and Italy. The U.N. Secretary General has put forward a draft framework agreement for a Cyprus settlement. The Spanish people have voted to stay in NATO. French parliamentary elections have resulted in a government coalition of conservative parties sharing power with socialist President Mitterrand. Sweden lost its Prime Minister, Olaf Palme, to an assassin's bullet. And just last week the United States signed a Memorandum of Understanding with the Federal Republic of Germany covering FRG participation in SDI research.

I'd like to cover each of these developments briefly, if I may, and also share with the Subcommittee where I think we stand in U.S.-Soviet relations.

Implications for the U.S. of EC Enlargement

On the trade side, the President announced on March 31, in connection with EC enlargement, that unless the EC rescinds its illegal quotas on our exports of oilseeds and grains to

Portugal and provides prompt compensation for the losses of our corn and sorghum sales to Spain, the U.S. will establish quotas and increase tariffs on EC products entering our market.

While we welcome the addition of Spain and Portugal to the European Community, we have made it clear that we won't allow EC enlargement to be used as an excuse for putting unfair restrictions on our exports. Unfortunately our message hasn't fully registered yet in Europe. Two sets of measures being put in place in Portugal are of major concern to us: import licensing and quota arrangements in the soybean sector, and reservation of 15 1/2% of Portugal's grain market for EC suppliers. We believe these actions are contrary to the Community's GATT obligations. Furthermore, we view the soybean measures as a potential threat to all our soybean exports to the EC. The President's March 31 announcement demonstrates our resolve to prevent unwarranted restrictions on our trade, and to respond in kind to any such restraints that may be imposed.

Secretary's Trip to Turkey and Greece

The Secretary's visit to Turkey moved forward the process of broadening and deepening our dialogue with this key NATO ally. The visit gave the Secretary -- and all of us who accompanied him -- the opportunity to appreciate at first hand the strategic importance of Turkey. Also apparent was the

significance of Prime Minister Ozal's bold and imaginative economic reform program, which could make Turkey a model of market-oriented economic development for states in a middle stage of development. All of us were also impressed by the need to support in every possible way the Turks' efforts to modernize their armed forces, consolidate their democratic institutions, and set the foundations for stable economic growth.

The Secretary met with President Evren, Prime Minister Ozal, Deputy Prime Minister Erdem, Foreign Minister Halefoglu, Defense Minister Yavuzturk, and other high level Government officials and Parliamentary leaders. Discussions on international issues focused particularly on the Middle East and the threat to international stability arising from the Iran-Iraq war.

In our discussion of bilateral issues, we addressed the need to expand our economic and trade relations, and the U.S.-Turkish Defense and Economic Cooperation Agreement (DECA). The Turks raised their interest in greater access for their exports, particularly textiles, to the U.S. market. The Secretary expressed our interest in encouraging trade with and investment in Turkey, while noting the complexity of the textile sector. He also explained the benefits that can flow from the recently concluded bilateral investment treaty, a tax

treaty being negotiated, and other cooperative business activities.

The Secretary described the steps we have taken in security assistance in recent years, as well as our continuing commitment to provide defense support to Turkey in the spirit of our Alliance partnership and to the benefit of both countries. I cannot emphasize too strongly the importance that the Administration attaches to its request for security assistance to Turkey. The Turks legitimately need more than what we have been providing, and even in a difficult budgetary environment it is very much in our national interest to increase the level of our support.

The Secretary and his Turkish interlocutors also discussed our mutual commitment to protecting individual rights, and our shared concern for the situation of the Turkish-speaking Muslim minority in Bulgaria.

In Athens, the Secretary met with Prime Minister Papandreou and senior officials of his government. The talks were conducted in a positive atmosphere and constituted an important step in our continuing, mutual effort to improve relations, in line with Papandreou's statement last year that Greece and the U.S. should move to "calmer waters," a desire shared by President Reagan. Secretary Shultz and Foreign Minister

Papoulias had subsequently agreed to proceed to a "step-by-step" process to achieve this.

The Secretary reviewed the results of this step-by-step process in detail, and both sides agreed that considerable progress has been made in recent months. We've taken the necessary steps for the sale of F-16 fighter aircraft to Greece. We've concluded an interim civil aviation agreement. And we've been working together on terrorism and security issues. The Greek side agreed to work with us in the months ahead to resolve other outstanding issues. We hope to clear up some pending problems in order to start base labor negotiations and begin talks on a comprehensive status of forces agreement. We need to start talks on an agreement for VOA facilities in Greece. We will hold trade and investment talks in Athens next month. And, we will continue to examine ways of making our cooperation on terrorism more effective.

Finally, the Secretary also had good discussions on the future of U.S. military facilities in Greece: we did not come to a conclusion, but we did agree that a serious discussion of this question would take place in time to permit orderly resolution of the question well prior to December 1988. The Secretary invited Foreign Minister Papoulias to come to Washington at a date to be determined later, and he accepted.

The Secretary stressed our interest in the peace and stability of the region, as well as our concern about the continuing differences between our Greek and Turkish allies and our hope they will resolve these issues. He also expressed the hope that Greece would find a way to return to full participation in NATO activities.

U.N. Secretary-General's Cyprus Initiative

The Secretary General has taken a major step forward in the Cyprus initiative he has been pursuing since August 1984. On March 29 he presented to senior Greek and Turkish Cypriot representatives a draft framework agreement to set forth principles on the nature of a future Federal Republic of Cyprus and establish a process for working toward an overall Cyprus settlement. Over the past few months U.N. Secretariat officials have held two rounds of working level meetings with the two sides in Europe. They have also met with the parties in Cyprus and New York, to prepare this document.

If accepted by both parties, the agreement would launch them--for the first time--on a decisive discussion of all outstanding issues, these to be tackled as an integrated whole. This would include the fundamental issues of troop withdrawals and international guarantees. Under the agreement's terms, the Secretary General would convene periodic

summit meetings between the two Cypriot leaders and working groups would address the issues in detail.

These negotiations would provide each side with sufficient opportunity to assure itself of the intentions of the other. Moreover, while the Secretary General's document would commit the two Cypriot sides to a process toward an overall settlement within an agreed framework, its ultimate implementation would depend upon both sides being able to negotiate all the issues to their mutual satisfaction. The framework agreement itself would not bind either party irrevocably to acceptance of a particular outcome in the future. The treatment of the issues as an "integrated whole," to use the language of the framework agreement, is understood to mean that nothing is final until all the parts are finally agreed.

We strongly support this effort by the Secretary General. In his recent visit to Turkey and Greece, Secretary Shultz encouraged those governments to do the same. The parties are now at a potentially historic crossroads. We hope they will seize the opportunity and work with the Secretary General toward a just and lasting settlement.

Spanish Referendum/Next Steps

We believe that the Western Alliance was strengthened by the March 12 vote for continued Spanish participation in NATO.

We and the other allies welcomed the result, which was another important step towards fuller Spanish participation in the community of Western democracies. Prime Minister Gonzalez has made clear that Spain wishes to increase its role in Western collective defense. In keeping with this, our two governments agreed in December to begin in the first half of 1986 preliminary negotiations in a process that will lead to the renewal of our base rights accord. A key element of this framework is that any adjustments in the U.S. military presence will maintain the overall security level of both countries and their allies. The Secretary will discuss this and other bilateral topics at the May 27 meeting of the U.S./Spain Joint Council in Washington.

New French Government

As a result of the recent French parliamentary elections, a coalition of conservative parties now holds the majority in the National Assembly. President Mitterrand has named Jacques Chirac, the leader of the largest of the coalition parties, Prime Minister. This "cohabitation" arrangement, as the French call it, with the President from one political party and an opposition Prime Minister and cabinet, is unprecedented in the 28 year history of the Fifth Republic. During his recent trip to Paris, Secretary Shultz met with President Mitterrand and Prime Minister Chirac. He also spoke briefly with the new

Foreign Minister, Jean-Bernard Raimond, who had just returned from his assignment as Ambassador to Moscow. The Secretary assured his French colleagues that we are accustomed to political change and looked forward to close consultations and communication with the new government. The Secretary's meetings covered a wide range of issues, including EC enlargement, counter-terrorism cooperation, East-West relations, and arms control. The Secretary invited the Foreign Minister to visit Washington as soon as his schedule permits.

Sweden After Palme

Secretary Shultz attended the funeral for Olaf Palme in Stockholm on March 15, after which he had a very constructive meeting with new Swedish Prime Minister Carlsson. Carlsson has the reputation of being a capable leader with a low-key manner and a talent for building consensus. Following up on this good initial meeting, we look forward to exploring actively with his government ways to make our good relations with Sweden even better.

West German Participation in SDI Research

On March 27, Secretary of Defense Weinberger and FRG Minister of Economic Affairs Martin Bangemann signed a Memorandum of Understanding in Washington providing a

comprehensive basis for the participation of German industry, research establishments, and other entities in the Strategic Defense Initiative research program in a manner commensurate with the protection of sensitive technology. The agreement addresses procedures for bidding on and fulfilling SDI research contracts, rights to use research results and other information, and controls on the unauthorized transfer of sensitive technology.

A Joint Understanding of Principles for technology cooperation was signed at the same time. This non-binding accord addresses general principles for U.S. and German industrial, scientific, technological, and security cooperation. It lays out steps intended to encourage such cooperation, and also to enhance its security through an effective regime for safeguarding strategically sensitive technologies.

In both accords, the U.S. Government made a special effort to ensure that the interests of Berlin were taken into account in a proper manner consistent with Allied rights and responsibilities.

Status of U.S.- Soviet Relations

The Geneva summit last November provided a good basis for an improved dialogue at all levels of our relationship, from

the President at the top, to the broad range of people-to-people exchanges we are seeking to develop. We have been and remain determined to follow up on opportunities for progress in all four areas of our agenda: arms control, regional issues, human rights and bilateral matters.

As Secretary Shultz has said, we have been frankly disappointed with the lack of progress since the President's meeting with Gorbachev in Geneva. In particular, we regret that the Soviets have not as yet responded to our suggestion that General Secretary Gorbachev visit the U.S. this summer.

The President and Ambassador Dobrynin met this morning. I can tell you that the President made very clear that we are ready to move forward. We want to achieve substantive agreements at the next summit. The President emphasized that Soviet agreement to a date for the summit meeting would help to stimulate the search for areas of mutual agreement. Our experience last fall was that having a date helps to force action in both governments toward narrowing issues on which agreement may be possible. The President said that he attaches no preconditions to his invitation for General Secretary Gorbachev to visit the U.S. He reiterated that Soviet linkage simply won't work.

We are similarly concerned that the Geneva arms control negotiations have not budged significantly. The Soviets

continue to insist on some patently one-sided, unacceptable positions. For example, they continue to seek a definition of "strategic systems" which is unfair to us by counting U.S. intermediate range missiles and aircraft, and even carrier-based aircraft, while excluding comparable Soviet systems. They also continue to insist formally on a ban on all strategic defense research, even though they know such a ban is unverifiable. The Soviets have not given us a serious response to our proposals of last November 1 concerning START and Defense and space.

On human rights the Soviets have taken some positive steps, such as freeing Anatoliy Shcharanskiy and resolving a number of separated spouses and divided family cases. However, in March there was a sharp downturn in emigration from already very low levels, and the general picture remains bleak. We intend to keep pushing the important human rights part of our agenda at every high-level meeting.

While the Soviets have not yet set dates for the next summit, the picture of US-Soviet relations is not entirely downbeat. There are positive elements, particularly in the bilateral area. Plans for opening our consulate in Kiev are on track. The President's people-to-people programs are beginning to go forward. We hope that these will begin to overcome the Soviets' self-imposed isolation, so that Soviet citizens can

get a more accurate understanding of our society, particularly our desire for peace, and our willingness to try to resolve outstanding issues constructively.

Regarding regional issues, the picture is mixed. Our continued dialogue, such as our experts talks, has helped to provide a better understanding of our respective goals and intentions. Chet Crocker met with his Soviet counterpart in Geneva on March 6. We will conduct more such talks in the next few months. At the same time we have to recognize that Soviet actions in the developing world have not been helpful. In particular, Soviet supply of SA-5 missiles to Libya and their increased military supplies and activities in such places as Afghanistan, Nicaragua and Angola have served to exacerbate, not move toward resolution, these regional problems.

CONSIDERATION OF HOUSE JOINT RESOLUTION 262

Mr. HAMILTON. Thank you very much, Madam Secretary. If you will excuse us, we will act on this resolution, so we'll have a few minutes pause before we turn to the questions.

The subcommittee has before it House Joint Resolution 262. The principal sponsor of that resolution is Mr. Siljander of Michigan, and the Chair recognizes Mr. Siljander in support of this resolution.

Mr. SILJANDER. Mr. Chairman, thank you. I appreciate your allowing this resolution to come up and your leadership in the area of human rights.

Also 1 million Turks who live in Bulgaria who are being persecuted also deeply appreciate your willingness to present this issue.

In Communist Bulgaria, Turks are punished for reading Turkish publications. They cannot study the Turkish language. Their radio and television signals are jammed. Their mosques are torn down and they cannot rebuild them. Their homes fall into disrepair and they cannot repair them.

Turks are relegated to heavy labor. Their bank accounts are frozen. They are not even permitted to keep their own names.

The State Department has reported that despite the Turkish 1985 offer to Bulgarian Turks, Turkish emigration is essentially denied by the Bulgarian Government. The officials of Bulgaria warn that ethnic Turks expressing an interest in emigrating to Turkey will be forcibly resettled somewhere else in Bulgaria.

The joint resolution before the subcommittee today would put Congress on record as strongly condemning the brutal treatment of and blatant discrimination against the Turkish minority by the Bulgarian Government. This resolution also calls on the President to raise the issue in all appropriate international forums.

Mr. Chairman, Senator Larry Pressler has introduced the same joint resolution, Senate Joint Resolution 126, which is an identical resolution. I again thank you for bringing this resolution up and I move its adoption.

Mr. HAMILTON. The Chair wants to acknowledge the leadership of the gentleman from Michigan on this resolution and to commend him for it. It calls our attention to a very important matter and problem.

I might ask that the letter that the committee received from Department of State containing its comments on the resolution be placed into the record. Without objection, it will be done.

The Department of State and the Administration have no objections to the passage of House Joint Resolution 262, and the Office of Management and Budget advises that there is no objection to the submission of this report.

[The statement of Mr. Siljander follows, and the Department of State comments follow:]

Statement by Mr. Siljander in Support of H.J.Res. 262
Before the Europe and Middle East Subcommittee

Mr. Chairman and distinguished members of the Committee:

First, let me express my deep appreciation to Chairman Hamilton for bringing up this resolution before our subcommittee. Your deep and abiding committment to human rights is an example to all members of this body.

Mr. Chairman, the People's Republic of Bulgaria is involved in a systematic and brutal discrimination against the Turkish minority trapped behind its border.

There are about a million Turks living in the People's Republic of Bulgaria. They've been there since the end of the fourteenth century.

The 1947 Paris Peace Treaty, the United Nations Universal Declaration on Human Rights, the Helsinki Declaration of the Conference on Security and Cooperation in Europe of August 1, 1975, the Bulgarian-Turkish Friendship Pact and a host of other human rights covenants, all signed by Bulgaria, guarantee basic human rights to Bulgarian Turks. Yet the reality of everyday life for these people suggest that all of their rights are on paper only.

In communist Bulgaria, Turks are punished for reading Turkish publications. They cannot study the Turkish language. Their radio and television signals are jammed. Their mosques are torn down, and they cannot rebuild them. Their homes fall into disrepair, and they cannot repair them.

In communist Bulgaria, Turks are relegated to heavy labor. Their jobs can be, and frequently are taken away without cause. Their bank accounts are frozen.

In communist Bulgaria, Turks are not even permitted to keep their Turkish names. Since December of 1984, the Bulgarian government has engaged in a nationwide campaign to force the Turkish minority to change their Turkish names to Bulgarian ones.

"On January 22," testified a Turk to a relative living in the United States, "the Bulgarian Army came to our towns with guns, armored trucks, and tanks...the soldiers were going from door to door and calling everyone to come to the City Hall to have their passports made with their new Bulgarian names, which are to be given to them by the communist regime, at the same time forcing them to sign certain forms saying that they are changing their names of their own free will.

"People who are resisting the orders, are being punished, beaten, raped, and many of them have been killed.

"No one knows how long this suffering and killing will go on. All of this has happened so fast that everyone was suprised and shocked. Both young and old were crying, but there is nothing anyone of us can do about it because we are under a communist regime..."

Amnesty International reports in the Amnesty International Report 1985 that "the organization continued to ask for details of the charges against and the current legal status of Mr. Bunzev. He was sentenced to 20 years' imprisonment in 1973 after taking part in protests against an official ruling requiring Pomaks (Bulgarians of Muslim faith) to change their Muslim names to Bulgarian ones."

The State Department Country Report on Human Rights Practices for 1985 reports that Turkish Bulgarians are inhibited from practicing their religion due to the closing of many mosques and prohibitions against religious education of children. The report points out how mosques have been desecrated. In the town of Pleven, a mosque was turned into a barber shop. Moslems have no access to Korans, which are not printed in Bulgaria.

The State Department report goes on to say that despite Turkey's 1985 offer to accept ethnic Turks wishing to emigrate, Bulgarian officials warned that ethnic Turks expressing interest in doing so would be forcibly resettled elsewhere in Bulgaria.

Turks must have a Bulgarian name in order to be issued a birth certificate, a marriage license or a passport. Without a Bulgarian name a Turk cannot get a job.

Turks cannot live where they chose in communist Bulgaria. They are forced to live where the government puts them and move when the government changes its mind.

Why is this of concern to Americans?

The Soviet Union and its satellites are committed to the destruction of human rights. They are committed to the destruction of democracy and our NATO allies. Turkey is a new democracy and one of our strongest allies. It has the second largest army of all the NATO nations. Its deployment along the border with the Soviet Union gives the United States strategic listening posts for surveillance. Turkey is justly concerned about the fate of the Turkish minority in Bulgaria and we stand in solidarity with her. Americans have always been committed to freedom, both for ourselves and for those suffering under tyrrany. We embrace "huddled masses yearning to breathe free." We defend our allies as we defend our own families.

The joint resolution before the Subcommittee today would put the Congress on record as strongly condemning the brutal treatment of, and blatant discrimination against the Turkish minority by the Bulgarian government. The resolution also calls on the President to raise the issue in all appropriate international forums. (The Committee has recieved comments from the State Department on this resolution which I include for the record).

Senator Larry Pressler has introduced an identical joint resolution in the Senate (S. J. Res. 126). It is my hope that the actions of this subcommittee today will inspire our counterparts in the other body to pass S.J.Res. 126.

There also needs to be an outcry from the people of the free world. As Americans speak out against human rights violations in all other parts of the world, as we support freedom fighters in Afghanistan, Nicaragua, Angola and Poland and denounce apartheid in South Africa, so we must put public pressure on the Bulgarian government to honor its international agreements.

Communist Bulgaria is infamous as the government that tried to assassinate the Pope. It must also be known as the government that is trying to destroy one million Turks.

Mr. Chairman I would ask to include some supporting documents at the conclusion of this testimony.

Thank you.

(From the Washington Post, Apr. 8, 1986)

Bulgaria's Turks Tell of Terror In Forced Assimilation Drive

(By Jackson Diehl)

Kurdzhali, Bulgaria.—Scores of police agents watch the streets, market and cafes of this city and its large ethnic Turkish population. Guards at roadblocks turn back foreigners seeking to visit. Residents say they are threatened with two years in prison for communicating with the outside world.

For at least 17 months, Kurdzhali has been a focal point of what Bulgaria's Communist government portrays as a voluntary "revival" of Bulgarian roots among its Moslem population. Yet, when they can speak, in stolen moments on street corners, park benches, and cafes, ethnic Turks here describe a campaign of terror meant to force them to abandon their names, language and culture.

"They shot many. I don't know how many, but it was many," one middle-aged man told western reporters allowed to visit here last Saturday. "There is not life here. You are followed, I am followed."

In separate interviews, two residents said that police killed numerous ethnic Turks as the assimilation campaign reached its height here in early 1985. Others said they remain prohibited from speaking Turkish in schools, jobs and public places, that they had been barred from attending mosques and that those who refused to switch their Islamic names to Bulgarian had been arrested.

"It was terrible," said Mehmet, a young man who added, with a grimace, that his official name was now Miliev. "Yusef became Ivan," said another young man, an ethnic Bulgarian.

The fearful accounts appeared to support reports by western diplomats and human rights organizations that Bulgaria has become the site of one of the harshest ongoing suppressions of an ethnic minority in a region plagued for centuries with national clashes. Since late 1984, authorities have reportedly sought to force all of the estimated 900,000 ethnic Turks in a population of 9 million to accept new identities as "Bulgarian Moslems."

Amnesty International reported last week that more than 100 ethnic Turks had been killed in clashes with police who conducted sweeps in Turkish areas during the name-changing campaign last year. Hundreds of persons were arrested and the homes of some families who refused to cooperate were bulldozed, the organization said.

The repression has drawn repeated protests from Turkish President Kenan Evren, damaged Bulgaria's relations with Islamic countries and appeared to contribute to a strain in relations between the Bulgarian Communists and Soviet leader Mikhail Gorbachev.

Yet conditions in Kurdzhali and statements by Bulgarian officials last week indicated that authorities have no intention of relaxing the pressure on ethnic Turks—or even admitting that they exist.

"There are no Turkish areas in Bulgaria," said Bojan Traikov, a government spokesman, during a press conference in Sofia last week. The ethnic Turks, he said, were "Bulgarians by birth" who had voluntarily joined "a process of revival" of their Slavic roots, changing their names in the process.

"This is not an official attitude," he said of his account. "It is a historic truth." Traikov described western journalists who have reported on instances of repression as "devils" who have deliberately distorted the situation.

The roots of the problem date to Bulgaria's occupation by the Turkish Ottoman Empire for nearly 500 years beginning in the 14th century, an epoch usually referred to even in casual Bulgarian accounts as "the Turkish yoke." Some Bulgarians adopted Islamic culture, and many ethnic Turks moved to the rugged, mountainous southern and northeastern areas of the country.

Kurdzhali, a town of about 40,000, was founded by a Turkish military commander named Kurdzi Ali early in Turkish rule and did not become part of Bulgaria until 1913, 35 years later than the bulk of the country. Some 35 miles north of Bulgaria's border with Greece, it is an agricultural center where a traditional outdoor market and stately mosque mix with modern offices and a cafe-lined promenade.

The city is believed to retain a majority ethnic Turkish population, and many villages in the surrounding valleys and low mountains are almost entirely Turkish. In recent years, the birthrate among ethnic Turks has been high, while that of Bulgarians around the country has been near zero.

Diplomats believe that concern about the population trends and potential demands by ethnic Turks for regional autonomy helped provoke the drastic increase in official pressures for assimilation. Government authorities, who had abolished

Turkish schools in 1974, this year completed a census that did not register the existence of any non-Bulgarian populations. The last census a decade ago reported 500,000 ethnic Turks in the country.

The attempt to erase Turkish culture has been so complete that the one newspaper printing in Turkish switched to Bulgarian, and restaurants have removed listings on their menus for "Turkish" coffee. Newspapers have reported findings by Bulgarian anthropologists who have excavated burial grounds and concluded that skulls found there beloged to proto-Bulgarians, not Turks.

Since December 1984, Kurdzhali and other major Turkish settlements have been sealed by roadblocks, and western diplomats and reporters seeking to travel in the area have been turned back. Three western reporters seeking to visit Kurdzhali independently on Thursday were stopped.

Following repeated inquires from reporters at press briefings held during Bulgaria's Communist Party conference, the government press agency transported a group of journalists to the town on Saturday. The journalists were followed closely by police agents deployed through the city but were allowed to circulate for several hours.

Residents who were approached in cafes, on street corners around the busy central market, and in the town park appeared accustomed to the heavy security presence. "We can't talk, there are police all over the place," said a man in the market. In a bar, several ethnic Turks who had begun a conversation with reporters suddenly fell silent when a passer-by conspicuously looked in.

In the city's bus station, a young man was asked if he spoke a foreign langauge "Turkish," he replied in English. Then, throwing a quick, fearful glance over his shoulder, he added in Russian, "I can't."

United States Department of State

Washington, D.C. 20520

JUN 12 1985

Dear Mr. Chairman:

Your letter of May 9 asked for coordinated Executive Branch comments on H.J. Res. 262, which was introduced by Mr. Siljander on April 25 "To condemn Bulgarian brutality toward their Turkish minority."

The Department of State and the Administration interpose no objection to consideration or passage of H.J. Res. 262 in its present form.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this report.

I hope this will be useful to you in your deliberations.

With best wishes,

Sincerely,

William L. Ball, III
Assistant Secretary
Legislative and Intergovernmental Affairs

The Honorable
Dante B. Fascell, Chairman,
Committee on Foreign Affairs,
House of Representatives.

99TH CONGRESS
1ST SESSION

H. J. RES. 262

Condemning the brutal treatment of, and blatant discrimination against the Turkish minority by the Government of the People's Republic of Bulgaria.

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 1985

Mr. SILJANDER introduced the following joint resolution; which was referred to the Committee on Foreign Affairs

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JOINT RESOLUTION

Condemning the brutal treatment of, and blatant discrimination against the Turkish minority by the Government of the People's Republic of Bulgaria.

Whereas the Government of the People's Republic of Bulgaria is a signatory to the 1947 Paris Peace Treaty, the Universal Declaration on Human Rights by the United Nations and to the Helsinki Declaration of the Conference on Security and Cooperation in Europe of August 1, 1975, thereby solemnly undertaking the obligation not to discriminate against its citizens on the basis of race and national origin;

Whereas the Government of the People's Republic of Bulgaria has never abrogated the post-World War I international agreements on the protection of national minorities, including the Neuilly-sur-Seine agreement of November 27, 1923, or the October 18, 1925 Bulgarian-Turkish Friendship Pact,

all of which guaranteed equal rights and nondiscrimination to the Turkish minority in Bulgaria;

Whereas the 1971 Constitution of the People's Republic of Bulgaria accepts equality before the law and declares that fundamental rights will not be restricted because of distinction of national origin, race or religion and in article 48 guarantees the right to study in the mother tongue, and in article 53 provides for the free practice of religion;

Whereas the approximately one million Turkish minority residents in Bulgaria settled there at the end of the fourteenth century and have lived there uninterruptedly ever since;

Whereas flagrant discrimination in regard to the quality of employment and promotion, to visits to relatives abroad, to free travel and even in regard to the repair of houses and mosques, has been inflicted on the Turkish minority in Bulgaria for many years;

Whereas the repression of Turkish language and culture by the authorities of the People's Republic of Bulgaria includes rendering the study of the Turkish language impossible; interference with the use of the Turkish language by the Turkish minority in public; making the receipt and reading of Turkish publications a punishable act, and jamming the reception of Turkish radio and television programs in Bulgaria;

Whereas the Bulgarian authorities, especially since December 1984, are engaged in a nationwide campaign to force the Turkish minority to change their Turkish names to Bulgarian ones;

Whereas the Bulgarian authorities, especially since December 1984, have oppressed the Turkish minority with threats, beatings, fines, delays and denials of services in government

offices, blockings of bank accounts, dismissals from jobs, and, in the murder of hundreds of Turkish protesters by Bulgarian militia in the countryside;

Whereas the Government of the People's Republic of Bulgaria continues to refuse to permit journalists and foreign diplomats to visit the areas where violence has occurred, insisting in press releases that such events did not take place; and

Whereas the right to practice their Islamic religion has also been severely restricted and some mosques closed by the authorities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That they strongly condemn the brutal treatment of, and blatant discrimination against the Turkish minority by the Government of the People's Republic of Bulgaria, and calls upon the President to convey this condemnation of actions by their Government, contravening international treaties signed by the same, and to make the strongest diplomatic representations to Bulgaria in this regard; and be it further,

Resolved, That the House of Representatives (with the Senate concurring) calls upon the President to raise this issue in all appropriate international fora.

61-097 O - 86 - 2

Mr. HAMILTON. Is there further discussion on the resolution?

Mr. GILMAN. Just one.

Mr. HAMILTON. Mr. Gilman.

Mr. GILMAN. Mr. Chairman, I would like to address a question to the gentleman, the sponsor of the measure, Mr. Siljander.

Could you tell us what the size of the Turkish minority in Bulgaria is at the present time?

Mr. SILJANDER. Yes. There are approximately 1 million Turks living in Bulgaria.

Mr. GILMAN. What's the total population there, do you know?

Mr. SILJANDER. Ms. Ridgway, do you know the answer to that? About 9 million?

Ms. RIDGWAY. That sounds about right.

Mr. SILJANDER. I think it's around 9 million, so essentially one-ninth of the population would be ethnic Turks.

Mr. GILMAN. Then it is a substantial part of the population that we are addressing this bill to. I commend the gentleman for his effort in that direction.

Mr. SILJANDER. Thank you. I appreciate it, Mr. Gilman.

Mr. HAMILTON. Any further discussion? If not the Chair will let the resolution come to a vote—all those in favor of reporting House Joint Resolution 262 to the Full Committee will say aye. Those opposed, no; the ayes have it. The resolution is reported to the Full Committee.

Mr. SILJANDER. Thank you, Mr. Chairman.

UNITED STATES-SOVIET SUMMIT

Mr. HAMILTON. We will turn now to questions of the Secretary.

Does the administration believe now that the path to the U.S. Soviet summit is clear and that the date for the summit will be set soon?

Ms. RIDGWAY. I would like to say that what we have done is reopened the dialogue. We have had several opportunities this week to have good and full discussions, face-to-face discussion with Ambassador Dobrynin who provides an opportunity for review of where we are.

I would not want to go beyond saying that we have made a step forward in setting the date for the meeting of ministers.

Mr. HAMILTON. Is one of the items on the agenda of the just announced Foreign Ministers meeting to set a date for this summit?

Ms. RIDGWAY. No. We continue to await a reply from General Secretary Gorbachev on the invitation that was extended to him.

Mr. HAMILTON. So, does or does not the meeting between the two Foreign Ministers advance the prospect of a summit?

Ms. RIDGWAY. I would like to keep separate if I might the question of a date and the question of a summit dialog, I think that the meeting of the Foreign Ministers advances the summit, that is, that the next meeting of the two leaders was agreed to. The date, when it's going to be, that kind of thing, I don't expect it to be on the agenda. It would wait to hear from the Soviet side on that, but we know what the agenda is.

Mr. HAMILTON. Just give us a good guess, Madam Secretary. Would you say that the summit will occur before or after the election in the United States?

Ms. RIDGWAY. Mr. Chairman, it's the one question I was hoping you wouldn't ask. I would not like to guess as to when that summit would take place. We would leave it to the Soviets to respond to the President's invitation.

Mr. HAMILTON. In any event, the U.S. position is that we're ready for the summit meeting?

Ms. RIDGWAY. That's correct.

Mr. HAMILTON. And that the meeting should occur without preconditions?

Ms. RIDGWAY. Without preconditions.

Mr. HAMILTON. In so far as we are concerned, is it up to Gorbachev to accept the invitation?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. And are we flexible with regard to date?

Ms. RIDGWAY. We are flexible. In the meantime, I would add one point that I think would be of interest, Mr. Chairman, and that is that we have all of the tasks that are represented in the joint statement from the previous Geneva summit, all of which have work to be done, and bilateral exchanges and things of that sort, and those are going forward.

Mr. HAMILTON. The Secretary said the other day we're not going to go anywhere in Soviet/American relations until Moscow and Washington agree to stop conducting diplomacy in public.

Now was he just expressing frustration or is it now our policy to demand that they stop conducting diplomacy in public?

Ms. RIDGWAY. I think it was two things. One, we all sense, correctly so I believe, that the most meaningful discussions are those which are quiet and which proceed in an orderly fashion and in which ideas and thoughts are allowed to be explored without headlines being written, and the second was I think a sense that somehow we and the Soviet Union have gotten caught up in an exchange of public statements back and forth, and whether it is a result or simply a coincidence, the meaningful dialog in such places as Geneva and arms control talks, that this has gotten nowhere. So those two features as a matter of method, quiet diplomacy is better, and as a matter of substance, public diplomacy of the kind that we are conducting, through headlines, brings to a stop those talks that are already going on.

Mr. HAMILTON. So, does his statement that we have got to agree to stop conducting diplomacy in public really represents U.S. policy?

Ms. RIDGWAY. It is certainly our preference, yes.

UNITED STATES-SOVIET RELATIONS AND ARMS CONTROL

Mr. HAMILTON. All right. The press has been talking about a shift in the focus of U.S. policy with regard to arms control; namely, a shift from a focus on arms control to a broader focus which would give equal attention to the regional issues that exist between the United States and the Soviet Union.

What can you tell us about that? Is that an accurate statement now of U.S. policy today, that we are shifting away from a focus on arms control to a broader focus?

Ms. RIDGWAY. Well, it's a rather disappointing statement, Mr. Chairman, in that as I think you will recall we have been saying since last summer that the United States-Soviet relationship ought not to be measured in the arms control setting alone, and that in the work leading up to the Geneva summit we took as the United States agenda a program that included arms control, regional issues, human rights and bilateral relations, and as we explained to one and all at the time, it was simply misleading and injurious to think that the whole of the United States-Soviet relationship could be found in arms control agreements. For large portions of the American public there are equally important issues—Afghanistan, human rights, emigration, things of that sort.

We have been trying to persuade people to join us, our own public to join us, in seeing the relationship in that broad fashion.

To read now that somehow now that we have gotten through and people understand what we have been trying to say for the last 7 months represents a change, it is a little surprising. It's where we have always been and it isn't just regional issues. It's the full range of topics in the relationship.

Mr. HAMILTON. So it is not correct then to say that the Administration policy places arms control as a centerpiece of United States-Soviet relations?

Ms. RIDGWAY. We have always said that it is central. We perhaps even would be willing to say that for some it is a centerpiece, but for us, the agenda has to include all four items.

Mr. HAMILTON. Is it your view that progress in arms control can only take place if there is progress in other areas of that relationship?

Ms. RIDGWAY. That phrase is used in a very difficult fashion, Mr. Chairman. If you wouldn't mind my taking a little bit of time with it, we believe that the receptivity to arms control agreements, the willingness to pursue difficult negotiations—this is, the public understanding and a public desire to see agreements in arms control—is enhanced by resolving regional conflicts, but some would have that construction of a relationship mean that you cannot have arms control agreements unless you have solutions to regional issues. And I simply think that's not true, that if it were possible to forge with the Soviet Union an arms control agreement that was verifiable and had this stabilizing effect and included reductions, and if it were brought home by negotiators and were seen to accomplish important security things for the United States, I'm quite confident that people here would want to act on that and that we would have action on it.

Mr. HAMILTON. Mr. Gilman.

LIBYAN PEOPLE'S BUREAU IN EAST BERLIN

Mr. GILMAN. Thank you, Mr. Chairman. We welcome Secretary Ridgway back with us once again. You've been traveling quite a bit, I understand and you will be traveling once again in the near future.

Secretary Ridgway, we have been very much concerned with some of the recent reports on terrorism. According to press reports, some of the United States' concerns focus on the activities of the Libyan Embassy, their "People's Bureau," in East Berlin.

Are we seeking to have the East Germans curtail the activities of the Libyan People's Bureau in East Berlin?

Ms. RIDGWAY. Mr. Gilman, we have been in touch with a number of governments on the question of the activities of Libyan People's Bureaus. We are concerned about the activities. Where there are indications or reasons to believe that the local Libyan People's Bureau is involved in actual or potential terrorist activities, it is certainly to the advantage of the host government, as well as others, to take action, but we are at present involved in a very carefully constructed diplomatic endeavor, and I would not want to go beyond that, if you would permit me to stay with that sentence.

LIBYAN INVOLVEMENT IN BERLIN DISCO BOMBING

Mr. GILMAN. Some of the reports coming out of the past few incidents indicate that there was some relationship between Libyan terrorism and the recent events, and Ambassador Burt yesterday reported that there was clear evidence of Libyan involvement.

Would you care to comment on those statements?

Ms. RIDGWAY. Let me make two statements if I might, Mr. Gilman. On the first, on the, I think, background, that is, of Libyan involvement in Berlin, there is a very intensive investigation underway and we are working closely with Berlin and West German officials.

The attack does fit the pattern of increased Libyan activities in recent months and so, of course, we have suspicions, but the West German and Berlin Government officials who are working with us are examining all of the available evidence in order to reach a definitive judgment, so until that definitive judgment is in, we have not ruled out any group or organization or individual as the potential perpetrator.

Implicit in your question—and the guidance one always gets before visiting is don't answer a question you haven't been asked, but I hear that, I hear the question. I don't disagree with what Ambassador Burt said yesterday, but I would not want to at this time, to confirm it.

STATE DEPARTMENT CONSIDERATION OF TRAVEL ADVISORIES

Mr. GILMAN. Secretary Ridgway, a number of our citizens are preparing for the upcoming vacation period.

Do you have any recommendations for them? Is the State Department considering issuing a travel advisory for any of the countries?

Ms. RIDGWAY. Certainly at the time I came up here I was not aware of any travel advisories being considered. We have had telephone calls as you can imagine coming into many, many of the desks in the Department of State. We are suggesting that people make their own decisions as we all, all must in the face of this. If they want to travel, why they will, and if they feel nervous, then

they have to act on that, but there are no travel advisories certainly being prepared at the time I came up here.

FOREIGN POLICY EXPORT CONTROLS

Mr. GILMAN. Secretary Ridgway, if we could focus for a moment U.S. foreign policy export controls, in January the report to Congress on foreign policy export controls recited that losses of several billions of dollars in United States oil and gas equipment services to the Soviet Union have occurred because of these controls.

Do we anticipate any alleviation of those controls or are we going to be maintaining our position with regard to oil and gas equipment controls to the Soviet Union?

Ms. RIDGWAY. The January report showed all of the, of course, national security controls remaining in place and the foreign policy controls being altered or modified somewhat to permit the case-by-case consideration of applications for nonsensitive technologies in this field.

We have had some interest from American firms in that new posture. We have had some applications. We have been able to approve them, and I do not expect at this time any change from that case-by-case consideration.

Mr. GILMAN. We have recently approved some sales of oil and gas technology?

Ms. RIDGWAY. They are very small. Actually that particular prohibition even touches upon such things as material for seminars and so the first case through the modified policy had to do with seminars being conducted.

I have not seen any large dollar figure applications coming through yet. They would be considered on a case-by-case basis, which is the change.

UNITED STATES-ROMANIAN TRADE RELATIONS

Mr. GILMAN. My time is up, but Mr. Chairman, if I could just ask one more question with regard to Romania, do you see any changes in the restrictions on our trade with Romania coming?

Is the State Department recommending any change?

Ms. RIDGWAY. We have at present that whole question under review. I testified or someone had to testify in my behalf because I was called away from the city before the Senate Foreign Relations Committee in February saying this is one of the most difficult decisions that all of us who are concerned with this are going to face this year.

But it's going to be a tough call for all of us. We have not made up our mind. We have been watching the record in Romania. It's disappointing, and I can honestly tell you that as of this day, we do not know what our recommendation is going to be.

Mr. GILMAN. Thank you, Mr. Chairman.

U.S. ACTIONS ON EC TRADE

Mr. HAMILTON. Mr. Torricelli.

Mr. TORRICELLI. Thank you, Mr. Chairman. First let me express my own support for the administration's actions with regard to the

European Community on trade. I think the President's actions have been appropriate, and certainly measured I wanted you to know of the support of this member of this committee, and I would hope that the State Department, if I could turn things around a bit, would not be in its traditional role and would be supportive of the President, of these trade actions. They are important and a timely message to the community.

CONFLICTING ADMINISTRATION STATEMENTS ON LIBYA'S ROLE IN THE BERLIN DISCO BOMBING

Moving beyond that, let me address again the point Mr. Gilman raised with regard to the bombings in Germany. There would appear to be a contradiction that I think you could help us to understand between Mr. Burt's comments that there was clear evidence of Libyan involvement and Mr. Oakley's comment that we lacked conclusive evidence of Libyan involvement.

A day had transpired in between each comment. Is the discrepancy based on some evidence that had been discovered? Is one of them right and one of them wrong? Either there is "clear evidence" or there is "a lack of conclusive evidence." Who's right?

Ms. RIDGWAY. Mr. Torricelli, the context which might help explain that is the kind of discussions we have had when I have been up here before, that is, what can we do to obtain greater European support, greater European understanding, greater European/United States cooperation? And we are in these situations which involve deaths of Americans, which involve American airlines, our troops, tragedies for us, but which are also occurring in Europe.

We are making every effort to build a body of cooperation, of sharing, of joint assessment, as I said in answer to Mr. Gilman's question, of working together to reach conclusions, so that it isn't always a case of the United States saying well, this is what we think and that's it, but rather to work together, and I think that's the only, that perhaps is the only thing to do.

Mr. TORRICELLI. The Court of World Opinion is in session. In America and around the world people are drawing their conclusions about the Libyan Government. It is in the national interest of the United States that the world join us in believing that this is a terrorist state. To draw conclusions, if there is not convincing evidence is more than a misstatement of fact. It would confound our efforts to get world support.

These are two senior officials of our Government looking at the same evidence and coming to different conclusions. That cannot assist us in building support in Europe against the Libyan Government.

Ms. RIDGWAY. I'm sorry. I didn't mean to suggest that they came to two different conclusions. Perhaps my answer to Mr. Gilman was a little too vague.

I said that we did not disagree with what Ambassador Burt had said, but that we aren't confirming it. That simply has to do more with our desire to continue to work with this issue with our allies and to share the information.

AMBASSADOR WILSON'S MEETING WITH LIBYAN OFFICIALS

Mr. TORRICELLI. Let me, in the interest of this construction of a bipartisan and a broad coalition with regard to Libyan activities, note that perhaps the most troubling actions have been those taken by Ambassador Wilson.

Could you tell us something about the purpose of Mr. Wilson's meeting with Libyan officials?

Ms. RIDGWAY. No, I cannot. I am aware that, because I read the statements that touched on it, that Ambassador Wilson had a meeting with Mr. Qaddafi, that it was not authorized, and that's about all I have on it.

Mr. TORRICELLI. It would appear this is a bad habit of Mr. Wilson's. This is not the first occasion on which he has violated the instructions of the State Department or the policies of this administration and our Government.

Is it fair to say that he was acting directly contrary to the policies of our Government and the instructions of the State Department?

Ms. RIDGWAY. It was an unauthorized meeting. Certainly he knows now that it should not have taken place. I don't know anything of the contents of the meeting.

Mr. TORRICELLI. Has he been reprimanded?

Ms. RIDGWAY. I'm reading here, Mr. Torricelli, from what I know on the public record that the Secretary has spoken and I don't know quite what you mean by the word "reprimanded" but we certainly know that he has been told that it should not have taken place and that it should not happen again.

Mr. TORRICELLI. Is it accurate that this is not the first occasion upon which Mr. Wilson has acted contrary to policy? I am informed that he also sought secret meetings with other Middle Eastern officials in the past.

Ms. RIDGWAY. I honestly don't know, Mr. Torricelli. If you have some questions on that, I would be happy to take them, but I simply have this most recent incident about which I have as well only the public comments of the Secretary because I have not been involved in it.

Mr. TORRICELLI. There are provisions in the State Department for official reprimands, not informal comment that policies have been violated, but an official and public reprimand so that officials in Europe and the Middle East and indeed in the Libyan Government would know that we were not trying to communicate with Mr. Qaddafi, that no official messages were being taken.

The clearest way to make that plain would be an official, open, plain reprimand of Mr. Wilson.

Can we then conclude that there has been no such reprimand?

Ms. RIDGWAY. I would disagree with you——

Mr. TORRICELLI. I'm not making a statement. It's a question.

Ms. RIDGWAY. That there has been no reprimand?

Mr. TORRICELLI. Confirm or deny that. Has there been a reprimand?

Ms. RIDGWAY. If you're talking about signed and sealed documents, I simply don't know, but I have here, and I don't know what kind of varieties of things you have in mind when you say that

there are official forms for this—I would have to take that question because personnel files and the like simply are not open to me. I would have to take it and answer the question for you which I would be happy to do.

Mr. TORRICELLI. Yes; I would appreciate knowing for the record what form the reprimand has taken, what it has stated and what instructions may have been given to Mr. Wilson about his future behavior, and of course, the date upon which it was made and in what form.[1]

This is not merely a case, in my judgment, of someone who has not used his time properly or has difficulty reading instructions. Mr. Wilson's actions are dangerous. They have raised the possibility of false messages being sent to an adversary of the United States, wrong impressions being gained, our allies and other nations believing that we were conducting discussions with Mr. Qadhafi, and that policies were different than they may be officially stated.

These are dangerous actions. If this had been one occasion of a foolish act, perhaps it might be understood. It's my impression that this is a pattern in Mr. Wilson's behavior.

Given that, is it not appropriate that considering the danger of Mr. Wilson's actions and his repeated behavior, that he be dismissed from his position?

Ms. RIDGWAY. Mr. Congressman, you are asking me to join in a series of judgments and comments and implications and the like with respect to a man who is in fact doing a very fine job in his Embassy to the Vatican, and I don't want to comment on—I would like to be able if you want to have answers to those, to take apart every element of that question.

Mr. TORRICELLI. I'm speaking of a gentleman who is absolutely out of control. He is operating as an independent nation, constituting policy for himself. He has approached the leader of a nation which has threatened military forces of the United States, committed acts of war against our country. This is in clear violation of the policies of this administration and our Government, and this is not the first time he has done so.

I do not ask you to accept all of my judgment, but perhaps only one. Is this a man who has shown the temperment and indeed the ability to act in a high government position in this administration?

Ms. RIDGWAY. Mr. Congressman, I would repeat what I have said. I know from my position that this is a man who is doing a fine job in the Vatican, good enough certainly that he is entitled to come back and answer that kind of charge himself.

Mr. TORRICELLI. You might communicate to him that there is at least for this member a desire that he do so because as things now stand, I consider him to be an embarrassment to the State Department and danger to the construction of policy in our country.

I have no further questions, Mr. Chairman.

Mr. HAMILTON. Mr. Siljander?

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[1] See appendix 3.

Mr. SILJANDER. Madam Secretary, it's very good to hear you again. My questions are also directed initially toward terrorism and the lack of cooperation you alluded to in your statement also by many of our European allies.

What do you think it will take in terms of on-going terrorism, deaths, diplomatic pressure? What will it take to encourage full cooperation from our largest, most powerful allies in Europe who have a profound economic effect, for example on Libya, in reference to sanctions?

I know there have been allegations of secret deals cut by some of our European allies, by Qaddafi and others. Those deals obviously have fallen through, so what will it take? What can you do? What can we do as a Congress? What can the State Department, what can the administration do? What can other countries do or what in your learned opinion would it take to encourage them for more full participation?

Ms. RIDGWAY. Mr. Siljander, I think that we are in fact making some progress, not just because the administration is insisting upon the urgency of this question with its allies, but because public opinion in this country is also—Congressional opinion, people traveling, visiting people from overseas who come here to call are hearing from us a view of the threat to our democratic institutions that terrorism is felt, in our national behavior, to represent.

It's going to take time. We may feel that we don't have that kind of time, but I think it's going to take time, and in the last analysis, the decision will be made when those governments take a look at their own interests, their own information, the cost to them of what's happening, and conclude whether or not that we were right or that we were wrong, but that in their own framework something is going to have to be done.

Mr. SILJANDER. How much time?

Ms. RIDGWAY. I wouldn't make any prediction, but I think we are seeing some small progress now and so quite regularly I consult with my colleague Ambassador Oakley who works this circuit a great deal and who sees such things as Libyan arms sales or questions on travel documentation, small steps that are also being considered by the European community, those items that allow us to hope that in time Europeans will do the right thing, but I couldn't tell you when.

I share the same sense I think you do that there is enough evidence in already, but evidently it hasn't been entirely persuasive.

Mr. SILJANDER. Well, that's one source of frustration. The second one, after the last 4 years of terrorist incidences accelerating and their impact on American lives, after the bombings of our embassies twice in Beirut, the Marine compound and TWA and Achille Lauro and on and on, the response has always been, and part of my question is what really is the administration's policy?

Do we really have a post, during and pre-incident terrorist policy? And does a terrorist really know what they can expect in terms of sure and swift retaliation? Does a state-sponsored terrorist

or leaders such as Qaddafi, really know what they can expect from us?

They certainly know what they can expect from Israel—150 mile flight and making the Yasir Arafat bunker into a crater is certainly one thing that they can certainly expect. It's sure. It's swift, and it's retaliatory.

We have only had certain and swift verbiage. Granted that the Gulf of Sidra was, there was some response when we were directly attacked by missiles. Other than that, I don't really see a policy.

Historically the response from others in similar positions is "well, we don't really know who is responsible. We can't be off killing men, women and children and blowing up townspeople." I'm not advocating that. I don't think anyone is. Israel, in an uncanny fashion, seems to know precisely and surgically, where to strike most of the time, and is our intelligence really that inept that we are still lacking information about where the terrorist bases are? Not towns full of women and children, but terrorist bases. Are we really that unknowledgeable in our intelligence gathering capability that we don't know who to respond to?

So I guess there is a twofold question: one about intelligence and one about our policy and our role in such an important job related to Europe, what can our role be in helping forge a pre-during-and post-incident policy of some sort?

Ms. RIDGWAY. I think on the intelligence side, Mr. Siljander, I would suggest if you all are interested, that you get my colleague up here for the kind of a briefing that might be more informative than anything I could ever say in an open hearing, and on policy, I think it is, there have been enough statements that it's clear.

Let me tell you about my role in the Bureau of European Affairs. It's extremely difficult—very often when there is a dialog on most difficult subjects, people turn to me and expect me to speak for the Europeans, somehow to explain the Europeans.

That isn't my job, and on this particular issue of terrorism, I can simply bring forth what I believe the European view to be and to share with you the sense that they haven't yet arrived at some of the conclusions they should have arrived at, but I would never try to explain away a slower pace to suggest that they are doing better than they are.

My role then becomes to make sure that as these things happen, that as we believe we need a broader support, an international support for American policy, for American actions, that we have taken the kinds of steps either of the sharing of information, the engaging in consultations, the laying out of choices—that perhaps are the same for them as they are for us, that engage Europeans—as you know, I cover Canada also, although the subcommittee does not—engage Europeans and Canadians early on in the challenge that makes them in fact a genuine player all together in the making of choices and in the making of assessments.

That's my job, to say look, if you want—what's the phrase—if you want them in on the landing, they should be in on the takeoff. Once we have done all of those things and the response has not been what we think it should be, then I'm not going to come up here and try to describe it as anything else.

Mr. SILJANDER. I know my time has expired. I would love to pursue this in greater detail, but thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Levine?

LOSS OF MOMENTUM FOR ARMS CONTROL NEGOTIATIONS

Mr. LEVINE. Thank you, Mr. Chairman. Madam Secretary, I want to pursue several areas with regard primarily to arms control.

Let me join with my colleagues to welcome you to the subcommittee. I guess it would be fair to say that there is a general sense that has developed that the political impetus given to the Geneva arms talks by the President and by the General Secretary has, at least to a certain extent, appeared to have lost its momentum.

The arms talks in all three forms—space weapons, strategic arms, and intermediate range forces—seem to have bogged down. There doesn't seem to be a sign of political will to push those negotiations forward, and the administration appears to be so preoccupied with other foreign policy questions that arms control is hardly at the top of the agenda.

I would like to know first of all whether you share that evaluation and secondly if there has been any loss of momentum, to what would you attribute that loss?

Ms. RIDGWAY. I think it's unfair to ask the United States alone to try to carry forward the momentum from Geneva. I think that it, yes, it was lost. Certainly that's what many people sense, and I think it's a fair judgment.

As to when, perhaps this is a case of both sides feeling disappointed and not knowing quite how to explain the disappointment. We were disappointed that with the opening of the fourth round of the talks in Geneva on January 16 we did not, we did not get a critique of the position that we have tabled on November 1. Instead we got a very large public elaboration on very complicated arms control process. We felt we had to respond to that in public and suddenly there we were in a public dialog when we had been saying all along that meaningful progress would be made quietly between the negotiating teams in Geneva.

It takes two sides to get into that. I think that was very much in the Secretary's mind when he responded as well about the necessity for return to quiet diplomacy. That situation does not need to be prolonged forever. I think with the right kind of a sense of momentum of some event, perhaps it would be possible to give some vigor back to it.

I do not wish to give, ask too many things in a prescriptive fashion to the decision. For example, today to put the date of the meeting between the Secretary of State and the Foreign Minister of the Soviet Union on the calendar for mid-May, but indications of things like that suggest that where we are at the moment on arms control is not where we would have to stay forever.

U.S. RESPONSE TO GORBACHEV'S JANUARY 16TH PROPOSAL

Mr. LEVINE. That's encouraging. With regard to the Soviet proposal of January 16, the Gorbachev proposal, the President initially seemed to have a positive response to those proposals. I haven't yet

seen any detailed progress of the Soviet position, and I would like to know first what was your response if we had made a formal response to the Soviet proposal in the most recent round of negotiations, and secondly, whether there is now a sense in the administration that the Soviet proposal was primarily a public relations gimmick or whether there is a sense that it was a serious proposal?

Ms. RIDGWAY. The Soviet proposal was put to us in two forms. One was a public statement, and the other was in a letter to the President, and the President has replied to the General Secretary.

I am not in a position to talk about the President's correspondence except to say that's how that exchange took place.

There are in all of the proposals that have been put on the table either in Geneva or in public or in correspondence or wherever pieces that are somewhat similar. They have different approaches, but somewhat similar. That's what we tried to get at in a joint statement in Geneva, to talk about 50 percent, which is a number that both sides use, appropriately applied. It's necessary because we both know we are talking about 50 percent of different things and the possibility of something not lining up. We continue to believe that those are two hopeful areas where progress might be made.

The problems that we continue to have with the Soviet proposals, if I could give you an example, are on the treatment of third country forces, on definitions of what is strategic and what is not, things of that sort, but I would go back to your first question.

There is enough on the table now, this side, that side—common elements and things that we both know we fundamentally disagree about, could never come to terms with, but other little pieces that could be worked with. I think that with the right ingredients you would see motion.

U.S. POSITION ON SALT II

Mr. LEVINE. Let me just ask you briefly a couple of questions about our position on SALT II. As you know, it did expire on December 31, and I would like to know whether it is U.S. policy now that it has expired, in 1986 to continue to observe the terms of the SALT II treaty?

Ms. RIDGWAY. Let me back up because this is a question I know is going to be of continuing interest here.

At the time in December when people started talking about the expiration of SALT II, we said wait a minute, we didn't sign it so it can't really expire for us. The provisions were folded into the President's interim restraint policy of last June, which continues unless changed.

Under the interim restraint policy we have been studying for some time what our responses might be to Soviet violations of restraint, and it certainly is true that we are going to start running up against some dates next month, and so in that context, this whole question of interim restraint is very much a live question.

U.S. COMPLIANCE WITH SALT II CEILINGS

Mr. LEVINE. In the context of this, with the new Trident submarine expected to begin sea trials in May, will it be our policy to

comply with the SALT II ceilings and to dismantle two Poseidon submarines in accordance with agreed procedures when the sea trials do begin?

Ms. RIDGWAY. Mr. Congressman, it's premature to say what the decision of the administration will be. We have been looking at a range of possible responses and that study is still going on. We all know the date, but the decision has not yet been made.

POLITICAL CONSEQUENCES OF U.S. ABROGATION OF SALT II

Mr. LEVINE. Just to conclude on this issue, what do you see as the political consequences of an abrogation of SALT II on U.S. relations both with our allies and others and on the arms control negotiations in Geneva?

Ms. RIDGWAY. Let me make sure before I answer that we have got our terms straight. I don't want to talk about abrogation of SALT II but rather talk about the decision of the interim restraint policy. I think the allied views are very clear. The allies strongly favor the interim restraint policy. I think they believe it is fundamental to the support which they are able to obtain from their publics for defense programs, and I think they believe that it is fundamental also to their ability to support our arms control and negotiating posture, and if I could put it in de minimis terms, I'm sure they would be extremely disappointed.

Mr. LEVINE. That sounds like de minimis terms. Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Bereuter.

U.S. ACTIONS ON EC TRADE

Mr. BEREUTER. Thank you, Mr. Chairman and the subcommittee for permitting me to sit in, and my colleague from New Jersey for his courtesy.

Madam Secretary, it's good to hear your testimony and to have the facts you are presenting us. I want to begin by stating my strong support for the action taken by the administration with respect to the access of Spain and Portugal to the European community, the countervailing quotas and tariffs that were announced. It's extremely important that these steps which we consider to be GATT violations not impact negatively as they certainly would have without our action on soybean and grain farmers and exporters from this country.

UNITED STATES-CZECH CULTURAL EXCHANGE ACCORDS

I also want to commend you for your substantial involvement in the cultural exchange accords that were recently announced with respect to the United States and Czechoslovakia. Many Czech-Americans in particular are quite interested and hopeful that this will present a number of advances for our relations, and I know about your prior involvement with the return of the gold taken during World War II by Axis powers from Czechoslovakia.

What can you tell me of the details that will unfold when those accords are officially signed?

Ms. RIDGWAY. They will put in place a framework which will make possible the exchange of people-to-people exchanges but also programs of speakers, cultural events, exhibitions and the like. I think as a diplomatic tool cultural exchanges offer the best hope for both sides being, having their interests served, in a way that contents them.

There will always be in this day and age budget problems. I cannot predict the scope of the program that will grow under the umbrella of this cultural exchange agreement, but certainly we would like to get back in the business of the exchange by the people.

Mr. BEREUTER. Madam Secretary, is there a specific time limit or are these accords an ongoing agreement until changed?

Ms. RIDGWAY. I've not seen the terminating provisions. I would expect them to be if not as you describe say for a five-year period and then a review.

TRAVEL ADVISORIES FOR U.S. CITIZENS TRAVELLING ABROAD

Mr. BEREUTER. Thank you. On another subject, has the U.S. announced any travel advisories for Americans living in or traveling to Europe, especially the Mediterranean?

Ms. RIDGWAY. We have not.

Mr. BEREUTER. Is contemplation of such measures being undertaken at this time?

Ms. RIDGWAY. Certainly at the time I came up here this afternoon none was, and I don't say that because I know something might be happening later. I just simply am not aware of any that is under review. The world moves so quickly I would have to check it for you.

LIBYAN PEOPLE'S BUREAU IN EAST BERLIN

Mr. BEREUTER. I would advise you that today I prepared a letter to send today to Chairman Honnecker asking him to close the Libyan People's Bureau in East Berlin as a demonstration of improved relationships between the United States and East Germany without condition and without drawing specific conclusions with respect to what happened to West Berlin. I have my own conclusions. In light of a congressional delegation meeting, in which I participated, in January, I think it would be an outstanding example of his effort to improve relationships with the United States and I also think would place substantial pressure on the Federal Republic of Germany to close the Libyan People's Bureau in Bonn, so I wanted you to know about that, and copies will be, of course, sent to the President of the United States.

Ms. RIDGWAY. Thank you very much for informing me of that. Of course I recall that what I would call historic conversation which you and your colleagues, some other of them who are here, of course, today, had with Chairman Honnecker and I'm sure he won't be surprised to hear from you.

Mr. BEREUTER. There are other members of that delegation who will sign, and several have already indicated that in my brief comments with them.

Thank you very much, Mr. Chairman. Thank you.

Mr. HAMILTON. Mr. Smith.

MBFR NEGOTIATIONS

Mr. SMITH of New Jersey. Thank you, Mr. Chairman, and Ms. Ridgway, welcome again to the committee. I have a number of questions, Mr. Chairman.

First of all, last November, Ms. Ridgway, as you well know, in their joint summit statement the United States and the Soviet Union emphasized the importance they had attached to the Vienna MBFR negotiations and emphasized their willingness to work toward positive results.

The United States. and NATO have put forward a proposal in December calling for cuts of 5,000 U.S. soldiers, 11,500 Soviet soldiers, to be followed by 30 inspections. There has been some optimism expressed by diplomats that after a decade of really no movement whatsoever that we are on the threshold of producing some results.

Perhaps you could enlighten the committee as to your prognosis?

Ms. RIDGWAY. We were very proud of that NATO initiative. It wasn't entirely of U.S. design. Others had a lot to do with it, and we tabled something that we thought was quite inventive, tried to break away from what had tied us up on data for so many years, and a new approach on its verification and the like, and we are extremely disappointed with the response that came back from the Eastern side and we have told them as much. On the status today, to complete the review of arms control items, I would have to tell you that not only MBFR in Vienna but CDE in Stockholm have been extremely disappointing, despite the fact in the joint statement in Geneva the two sides said they would press forward.

Mr. SMITH of New Jersey. I would suggest, and maybe the administration could make some efforts in focussing public attention on this issue which is one of the best kept secrets in terms of ongoing U.S./U.S.S.R. negotiations. I would hope that the entire "peace" community and all those who are dedicated in this country and elsewhere to mitigating the threat of war to put an emphasis on those talks. If the talks yield a verifiable treaty the need for intermediate range missiles is reduced. Peace in the region is enhanced. You will recall that the main reason for the deployment of the cruise and the Pershing missiles to Western Europe was and is the imbalance of forces—NATO versus Warsaw pact. I think we need to focus more on that whole series of negotiations

JEWISH EMIGRATION FROM THE SOVIET UNION

Ms. Ridgway, there was some optimism, too, a few months back that in the spring there might be a breakthrough in the area of Soviet/Jewish emigration. Postsummit talk was running hot and heavy that there would be a breakthrough, more exit visas would be issued.

It seems that that may be not the case, at least as of now.

Do you see any changes occurring in the near future?

Ms. RIDGWAY. There simply has to be a change. We all have to work toward getting that change, and whatever will persuade the Soviet Union of the importance of this to the United States.

It relates to a question that the chairman asked at the outset about arms control and regional issues when I said it's also bilateral and human rights. The atmosphere that is supportive of an improved United States/Soviet relationship is determined so much in the United States by human rights and regional issues, and we had very real expectations after Geneva with some indication on family reunifications, spouse cases, that we could expect perhaps an increase in emigration levels, and by the end of 1985 there was just enough of an upward change in the figures to think that perhaps that conclusion was correct.

By the end of March that figure is headed in the wrong direction. The capacity of this issue to affect the ability of the administration to conduct an improved relationship I think is perhaps difficult to understand, but it is very real, and we just must find a way to persuade the Soviet Union of the importance of this issue to us.

MFN FOR ROMANIA

Mr. SMITH of New Jersey. OK. As I think you know, I have taken the lead in the House on the issue of suspending MFN for Romania. I have been there and studied the issue carefully and comprehensively. I have proposed a bill with over 80 cosponsors. I think there was a question asked earlier on this but I was at an aging hearing so I didn't hear it nor the response, but what does the administration contemplate it will do on renewal or suspension of MFN for 1987?

Ms. RIDGWAY. You did miss the question, and the answer was that we simply do not know what our recommendation is going to be at this time. We are not at all satisfied with the performance that we are seeing. We have a long list of things as you know that we have set out to try to accomplish. We watch the emigration levels, but we certainly are aware that the human rights performance of Romania is shaping the attitudes of many people, not only on the question of principle but simply as a way of measuring whether or not the Romanians are doing their part in the relationship, and it has been a very unfortunate spring in that regard, and we do not know what our recommendation is going to be. It's an open book as to whether we will or will not recommend.

Mr. SMITH of New Jersey. Can I urge you to take under consideration the concept of suspension? Because as you know it's so much harder to begin the process anew once MFN has been terminated and certainly it does give us some leverage.

Ms. RIDGWAY. In contrast to?

Mr. SMITH of New Jersey. Termination completely. Clearly suspension of MFN is a new concept. I believe that the administration were to recommend it, I think you would find very favorable hearing over here.

STATE DEPARTMENT POSITION ON KURT WALDHEIM

One final question—there has been some very serious and substantial allegations that Secretary General Waldheim, now candidate for the president of Austria, was responsible for or had knowledge of World War II war crimes.

What is the State Department's view on that issue?

Ms. RIDGWAY. Mr. Smith, if you will forgive me, I am totally unprepared on that question in touching as it does on such a matter involving a reputation as well as a serious issue. I would like to take that question.

Mr. SMITH of New Jersey. If that could be provided for the hearing record I would appreciate it.[1]

I yield back the balance of my time.

EUROPEAN FACTOR IN WORLD TRADE

Mr. HAMILTON. Madam Secretary, one of your colleagues said yesterday in a public forum that Europe is probably the most disruptive factor in the world trade system today.

Is that now the judgment of the State Department? Was he expressing a personal opinion?

Ms. RIDGWAY. A State Department colleague?

Mr. HAMILTON. Mr. Wallis.

Ms. RIDGWAY. Well, Mr. Chairman, Mr. Wallis is senior to me, but I don't know the forum in which he said it.

Mr. HAMILTON. He was speaking at an American Enterprise Institute forum.

Ms. RIDGWAY. Well, if he had in mind the EC enlargement question, I certainly would say what has happened in the context of Spanish and Portuguese membership has disrupted the relationship.

Mr. HAMILTON. The thing that's significant about that statement to me is the shift of attention from Japan. We have dealt rather harshly with Japan on trade questions for understandable reasons, but now Secretary Wallis shifts the focus and says Europe is now the most disruptive factor in the world trading system. I presumed when I read this that it reflects the Administration position. Is that correct?

Ms. RIDGWAY. I think that reflects Mr. Wallis' position. It's not a clear——

Mr. HAMILTON. He's the undersecretary for what?

Ms. RIDGWAY. For economic affairs.

Mr. HAMILTON. He's the foremost spokesman in the Department for economic affairs?

Ms. RIDGWAY. After the Secretary, yes.

EC RESTRICTIONS AND U.S. TRADE LOSS

Mr. HAMILTON. After the Secretary. How much is the United States going to lose, do you know, in terms of trade because of the EC restrictions?

Ms. RIDGWAY. There is a potential for the loss of a market that is approximately 1 billion annually. It's not an immediate impact, but that's the volume of the U.S. agricultural market into Spain and Portugal.

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[1] See appendix 1.

U.S. RETALIATORY MEASURES

Mr. HAMILTON. And what about our retaliatory measures? What's the time schedule for implementation of those?

Ms. RIDGWAY. There is going to be a hearing on April first for people who are interested in making comments as to what items should or should not be included on the U.S. list.

Mr. HAMILTON. The hearing is when?

Ms. RIDGWAY. April 21.

Mr. HAMILTON. And then implementation would proceed soon thereafter?

Ms. RIDGWAY. Depends on where the Europeans are. We have said our preferred position is that they rescind some of these things and start all over again.

Mr. HAMILTON. Suppose they remain where they are and they don't move? Do we implement retaliation right away?

Ms. RIDGWAY. I don't think there is a date, Mr. Chairman. We would wait to see at what point they physically began to have an impact on their own exports.

EC REACTION TO U.S. RETALIATION STEPS

Mr. HAMILTON. What reaction have you had from the community about the retaliatory steps that the President has suggested?

Ms. RIDGWAY. I have found it rather surprising because we have, we have been saying for some time that the United States welcomes the enlargement of the community but does not expect to pay the economic costs of it. We have said we sought negotiations, we wanted to work on it ahead of time, we wanted to make it orderly, and we wanted to do all of the right things. We have been saying that certainly as long as I have been in the position, in this job, which is nearly a year, and those who have been around longer say the message has been there for 2 years.

Then suddenly on March 1 we see the EC decisions on this and we walked in and said look, this part of it is GATT illegal, and this part requires compensation and we're going to have problems on this, and everybody said well, you know, this is the political price you have to pay and why didn't you say something before? And even as we have moved through the process on our side to protect our people and to respond, we have been hearing the same thing—oh, my goodness, we didn't know you felt so strongly about this, and why didn't you say something before? It has been really quite an amazing set of responses.

Mr. HAMILTON. Do you believe a trade war with the European Community is at hand?

Ms. RIDGWAY. It's pretty close.

Mr. HAMILTON. It's that serious a matter? Does this matter of trade relationship with the European community ranks very high among the items on your desk?

Ms. RIDGWAY. Yes, it does.

AMBASSADOR WILSON

Mr. HAMILTON. I was very interested in your responses to the questions from Mr. Torricelli about Ambassador Wilson. Do ambassadors report to you who are in your geographical area?

Ms. RIDGWAY. Yes, they do, but they also are able to report if they, if they so wish, directly to the Secretary or to the President, but normally I am the person to whom they report.

Mr. HAMILTON. So an ambassador has an option then. Can he report directly to the President if he wants to?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. Now as an academic matter, suppose an ambassador does something that is counter to U.S. policy. What are the secretary's options?

Ms. RIDGWAY. First is to pick up the phone and find out what happened or if what happened is something that requires as well an explanation of extenuating circumstances, misunderstandings, to listen to all of that and then to decide what should be done. It's very much, it's very much sort of situation specific. There is no formula.

AMBASSADOR WILSON'S MEETINGS WITH LIBYAN OFFICIALS

Mr. HAMILTON. Now in Mr. Wilson's case, as I recall in the press, he met with some Libyan officials in January, is that correct?

Ms. RIDGWAY. The information that I have is that Ambassador Wilson met with Qaddafi.

Mr. HAMILTON. In January?

Ms. RIDGWAY. I don't know the date.

Mr. HAMILTON. And he did that on his own accord?

Ms. RIDGWAY. It was unauthorized.

Mr. HAMILTON. Now after he met with Mr. Qaddafi, did he then report to you or to the Secretary or to the President?

Ms. RIDGWAY. I don't know what he did on that. It's the kind of thing that could very well happen without my knowing about it. I don't know anything.

Mr. HAMILTON. But in any event he did not report to you?

Ms. RIDGWAY. He did not report to me.

Mr. HAMILTON. When did you learn about it?

Ms. RIDGWAY. When I was traveling here with—I was out on the road when this story broke, so what I know and what I'm talking from in fact is the text of the Secretary's press conference in Athens or in Ankara because that's the extent of my knowledge.

Mr. HAMILTON. Has Ambassador Wilson been asked to justify or to defend his action?

Ms. RIDGWAY. If I could read from the same statement which is the Secretary's, we talked to Ambassador Wilson about it. That's all I know.

Mr. HAMILTON. We being who?

Ms. RIDGWAY. I don't know.

Mr. HAMILTON. You're quoting something there?

Ms. RIDGWAY. I'm reading a press conference transcript. That's really all I have is the public transcript of a press conference he was attending in Ankara.

Mr. HAMILTON. Mr. Shultz's remarks?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. To your knowledge was there any expression of disapproval of Ambassador Wilson's actions?

Ms. RIDGWAY. I have no knowledge of the contents of any of this exchange.

Mr. HAMILTON. And the Secretary's comments do not indicate any expression of disapproval?

Ms. RIDGWAY. Let's see. If you would like me to read these two paragraphs, one, "the meeting," this is the meeting with Qaddafi which took place—"it was unauthorized and after we found out about it we talked to Ambassador Wilson about it, and he understands clearly what our view of Qaddafi is. That's the end of it as far as I'm concerned.

"There was another question as to the contents of the meeting. I don't have any comment. It obviously didn't change things. It constitutes a problem for us in that we have been telling everybody that we have withdrawn ourselves from Qaddafi, so obviously it's an embarrassment, so it was unauthorized." And then they asked whether he still had confidence in Ambassador Wilson. He said that he is doing a fine job in the Vatican, which is my own view.

Mr. HAMILTON. Do we have any assurances from the Ambassador that he will not undertake any unauthorized missions in the future?

Ms. RIDGWAY. Again I have sought no assurances and have been given none. It is my understanding again that the Ambassador now understands clearly what our view of these things is and that's the end of it. That's what we would expect.

Mr. HAMILTON. Madam Secretary, if you have a responsibility for our ambassadors in your area of the world, why would you not write a letter expressing your strong disapproval for an ambassador who violates so blatantly American policy?

Ms. RIDGWAY. I would never undertake to write such a letter without its being approved by people senior to me, and in this case whatever was being done in the, in response to what this situation was, was being taken care of above me.

I would never write a letter to a colleague in the field reprimanding them or getting involved in a judgment as to what they were doing and sign it on my own authority. These are people who represent the President and it simply could not be done without the right kind of clearances.

Mr. HAMILTON. And so, as far as you know, no such expression of disapproval of the Ambassador's actions has taken place?

Ms. RIDGWAY. I simply do not have the facts of the case, Mr. Chairman, beyond those from the press conference that he was at.

Mr. HAMILTON. Would it be possible for you to get the facts of the case and present them to us?

Ms. RIDGWAY. I will be happy to take whatever questions or whatever you would like to have in this and return to the Department with it and be as helpful as I can.

Mr. HAMILTON. Well, the series of questions that Mr. Torricelli and I have asked are of interest to the committee and perhaps you could respond to those questions in writing to us promptly.[1]

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[1] See appendix 3.

Ms. RIDGWAY. I will be happy to.

Mr. HAMILTON. Mr. Gilman?

PRIME MINISTER OF MALTA VISIT TO LIBYA

Mr. GILMAN. Thank you, Mr. Chairman. Just a few more questions, Madam Secretary. There was a report of the Prime Minister of Malta was going to Libya to try to defuse the situation between the United States and Libya.

Can you tell us something of those reports? Is there any basis for the truth of those reports?

Ms. RIDGWAY. The exact facts on whether he, you know, who is going back and forth to Libya and the like, we certainly do know that Malta and Libya have, have a formal relationship. It has fluctuated between periods of, you know, warmth and coolness, and the, it would not surprise me that there was a visit, but I simply don't have the facts.

Mr. GILMAN. Were we aware of the Prime Minister's visit beforehand?

Ms. RIDGWAY. I would not expect to be told of them, no. Someone may have known about it, but I don't recall being told about it as I say.

Mr. GILMAN. Has Malta tried to improve its relations with the United States over recent months?

Ms. RIDGWAY. Perhaps by its own eyes it has.

MALTESE ELECTIONS

Mr. GILMAN. The Maltese-American Foundation recently requested National Endowment for Democracy funding for a team to observe the next parliamentary elections in Malta which are going to be held in May of 1987.

Did the State Department resist this request?

Ms. RIDGWAY. I've never heard of that request.

Mr. GILMAN. It's our information that they did resist it and I was just curious if you had any comment, but apparently you are not aware of it.

Could you submit a response to that question for us? And if they did resist it, could you tell us why there was any resistance? [1]

Ms. RIDGWAY. Yes.

UNITED STATES BASES IN GREECE

Mr. GILMAN. In Secretary Shultz's recent visit to Athens did Mr. Papandreou modify his position on the issue of U.S. bases after 1988?

Ms. RIDGWAY. The Prime Minister has since last summer been speaking in terms of his desire to bring us and Greek relations into calmer waters.

We had a good discussion of the entire base question. We did not resolve it, but we certainly have agreed that it should be possible to have an orderly resolution of this question well before 1988, and that was quite where it was left.

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[1] See appendix 1.

In the meantime we have been engaged in this so-called step-by-step process commissioned by the Secretary and the Greek Foreign Minister Papoulias to try to get at some of the specific problems that have troubled the relationship. We have made good progress. In my longer statement I have some examples of the kind of progress that we have made on the F-16's and things of that sort, base labor questions, customs questions that have troubled us and a future set of things, so I think we have a program laid out to get to the problems and we have agreement that the question should be solved well before 1988, and that's what we've got.

Mr. GILMAN. Does Mr. Papandreou appear to be willing to negotiate a new base agreement?

Ms. RIDGWAY. No. I would have to say simply that what we were able to agree to was that the question should be addressed in an orderly fashion before 1988, and I couldn't take it beyond that.

GREEK PARTICIPATION IN NATO EXERCISES

Mr. GILMAN. Up to now Greece has refused to participate in NATO exercises because of the controversy surrounding the issue of the Island of Limnos in the Aegean Sea.

Has there been any progress on this dispute?

Ms. RIDGWAY. No; no.

Mr. GILMAN. Are we trying to bring that issue to a head?

Ms. RIDGWAY. The Limnos question? No, we are not.

Mr. GILMAN. Has NATO used its diplomatic channels to try to end the controversy between Greece and Turkey?

Ms. RIDGWAY. No.

SECRETARY SHULTZ' VISIT TO TURKEY

Mr. GILMAN. Can you tell us what your assessment is of the Secretary's visit to Ankara? Did he make some progress?

Ms. RIDGWAY. Both visits, Athens and Ankara, were visits characterized by solid discussions, a good review of the whole of the relationships.

Your question touches on Turkey. Let me confine myself to that. To say that there were not that many issues, a variety of issues, set of issues that needed moving forward—we are talking about the defense and economic cooperation agreement. We are talking about putting our relationship on the basis, as the Turks put it, of trade, not aid of expanding opportunities for Turkish exports into the United States.

I would not report because it is not so, could not report to you that we solved, for example, the Turkish concerns about the level of what they call the low level of textile exports, but I would hope that we said enough after 4 days' candid discussions that they can understand what we have come to call the American reality.

People are always asking us to deal with their reality. We took the opportunity to suggest that they deal with ours. I think a great deal of understanding was fostered.

In addition, I think that it is very important for us to get out to a country like Turkey to see it in its play with the challenges it is facing. We have always worked very hard over the years to encour-

age modernization, the democratic process, and the opening up economically. It's a fairly exciting scene.

CYPRUS NEGOTIATIONS

Mr. GILMAN. Of course the main thorn in all of this is the Cyprus issue, which still lingers. What has been the response from Mr. Denktash and Mr. Kyprianou on the recent UN proposal to settle the Cyprus issue?

Ms. RIDGWAY. They were only presented it on the 29th of March and both sides have been very careful not to respond.

Mr. GILMAN. What is our response to that draft?

Ms. RIDGWAY. We also have not seen it in detail all that long. It went to the other parties first and we got it after that, but we have said in general that the UN Secretary General's initiative is the very best hope that any of us have had and are likely to have to solve that problem, so we support it entirely and we stayed in very close touch with the Secretary General.

Mr. GILMAN. In other words, we are urging that they do accept?

Ms. RIDGWAY. Yes; we are.

U.S. CONSULATE CLOSINGS

Mr. GILMAN. There has been a decision to close our consulates in Bremen, West Germany; Nice, France; and Seville in Spain; among several of the others.

Has there been any reaction in Europe to these moves?

Ms. RIDGWAY. Yes, there has—very real disappointment, expression of desire that it wouldn't have to happen.

Mr. GILMAN. Do you feel that some of these closings may be penny wise and pound foolish?

Ms. RIDGWAY. We don't get to play penny wise and pound foolish anymore, Mr. Congressman. We don't have the money, penny or pound.

Mr. GILMAN. But you favor closing them up for economic reasons despite the reaction?

Ms. RIDGWAY. Mr. Congressman, in principle, in fact I favor a large budget which permits us to have large and effective diplomatic establishment out there in the cause of peace. Since we don't have the money, something has got to get cut. Those are the choices.

UNITED STATES-CZECH RELATIONS

Mr. GILMAN. When you go to Czechoslovakia in the next few weeks to sign the cultural agreement, do you hope to undertake any other agreements or open the door for any other agreements with the Czechs?

Ms. RIDGWAY. No. I hope instead to have a conversation which after the fact I would come up here and describe as full and frank about the U.S. view of the relationship, what it looks like from here, what the problem areas are, the kind of things that we think we ought to work on.

We had hoped as you may recall in 1981, 1982, after the return of the gold and the simultaneous payment of claims, that taking

that almost 4-year-old issue out of the center of the relationship would permit the opening of the dialog, in which there would be these fundamental differences but we could talk.

That didn't happen and the relationship went downhill after that. There has been given by Congressman Bereuter along with Ambassador Luers and his team and USIA who appeared in Washington a very fine effort to find some small area of possible cooperation within which we can open a dialog, but the subjects of the dialog are not going to be all roses and tea. There's a tough dialog ahead of us.

Mr. GILMAN. In my recent meeting with the representative of the Czech Foreign Ministry they indicated a strong interest in trade relations with us once again.

Do you have any comment with regard to the possibility of trade relations with the Czech Government?

Ms. RIDGWAY. Everybody likes trade relations and everyone would like to avoid the tough political, human rights, broad regional kinds of questions that are of interest to us, move quickly to the question of trade, exports to the United States, earning hard currency. It just doesn't work that way.

Mr. GILMAN. Thank you. I have no further questions; thank you for appearing before our committee today.

Ms. RIDGWAY. Thank you, sir.

AMBASSADOR STOESSEL'S VISIT TO POLAND

Mr. HAMILTON. Madam Secretary, did Secretary Shultz ask Ambassador Stoessel to go to Poland?

Ms. RIDGWAY. That was a private visit, but we did ask him to undertake that visit.

Mr. HAMILTON. What was the purpose of that?

Ms. RIDGWAY. Well, we needed someone who had a background in the areas that Ambassador Stoessel does, go out and talk with persons in leadership in Poland to see what the state of the relationship is in their eyes. He went in a private capacity. You know, he has a distinguished public record. It was a perfect mix for us.

POLISH SANCTIONS

Mr. HAMILTON. Are we considering relaxing some of the sanctions?

Ms. RIDGWAY. Not at present; we are trying to get as good a fix on what's actually happening there as possible. There aren't that many sanctions left, but that's not what we're looking at.

Mr. HAMILTON. What sanctions are left? Those on IMF?

Ms. RIDGWAY. And credits.

Mr. HAMILTON. Credits?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. Are these the only sanctions left?

Ms. RIDGWAY. I believe those are the only two.

Mr. HAMILTON. Are any further followup steps being planned as a result of Ambassador Stoessel's visit?

Ms. RIDGWAY. Let me describe exactly what we are doing. We are taking a look at the relationship now that he's back. He has reported to us on his conversation and we are asking ourselves what fol-

lowup steps might be appropriate. They range all the way from none, because of our views on this situation there, to perhaps an expanded dialog, but that's about—it's a fairly narrow range of what's available for us.

KURT WALDHEIM

Mr. HAMILTON. With regard to the problems that Mr. Waldheim is having in Vienna, is there any information that the U.S. Government possesses that sheds light on his activities during the period in question and the allegations that he may have committed some crimes as a Nazi officer?

Ms. RIDGWAY. I do not know, Mr. Chairman. I would have to get that answer for you. I simply have nothing on the Waldheim case or background.

Mr. HAMILTON. The Department then has no view with regard to the present controversy about Mr. Waldheim?

Ms. RIDGWAY. I have simply been caught entirely short on this. I don't know that the Department has no view.

Mr. HAMILTON. You're the second official today who has been caught short by my question, and it's curious to me.

Ms. RIDGWAY. On this same question?

Mr. HAMILTON. On this same question; it's curious to me because this matter has been in the press very heavily in the last few days. The other official was not a State Department officer.

Ms. RIDGWAY. I will be happy to go back and report it to you, but I simply did not, didn't prepare for this one.

Mr. HAMILTON. Do you feel that at this time that the United States should be investigating the matter?

Ms. RIDGWAY. Mr. Chairman, as I say, I don't know this issue. I believe there are some investigations going on at the request of organizations in this country. That's the last I have seen of it. It is not an optional thing. If organizations call for an examination, then it happens.

Mr. HAMILTON. Do you think it is primarily a responsibility for the Greek and the Yugoslov Governments to resolve and not the United States?

Ms. RIDGWAY. I don't know about the Yugoslov and Greek Governments.

Mr. HAMILTON. Are those Governments saying anything to us about it?

Ms. RIDGWAY. I haven't seen anything on the subject.

ARMS CONTROL NEGOTIATIONS

Mr. HAMILTON. I now want to ask a few questions with regard to arms control.

At the summit we agreed with the Soviets to accelerate the work in the Geneva negotiations, and the two sides called for early progress, particularly in areas where there is a common ground.

At the conclusion of the last round of negotiations in Geneva in March Mr. Nitze said that there had been no tangible progress. Also your own comment at the beginning of our session was that arms control talks have not budged.

What has happened here? Did the two leaders say that we are going to accelerate our work? We have now had several months pass, and no progress has been made. How do you explain our failure to accelerate the work in arms control?

Ms. RIDGWAY. As I said to Congressman Levine, it takes two, but you asked instead a question that I think touches on how do we maintain momentum? And I have never known entirely how that's done. We went to Geneva in January expecting to have an exchange on our November 1 position. It would seem that the Soviets went to Geneva in January expecting us to be commenting on their January public statement, and we talked past each other and nothing happened.

Our view is that we had some good proposals that we wanted to hear their, their views on them, and they didn't have anything to say.

Mr. HAMILTON. Now the Geneva negotiators go back to work when?

Ms. RIDGWAY. In May.

Mr. HAMILTON. Early May?

Ms. RIDGWAY. Early May.

Mr. HAMILTON. And are there any position papers being drawn up now? Are we thinking about any changes in our negotiating posture or is it our intent to go back in early May with the same positions we had when we left?

Ms. RIDGWAY. The last report I had, Mr. Chairman, was that the chairmen all felt that they have, that they have what they needed to make progress if they could in fact engage the Soviets in some meaningful dialog and therefore there will not be elaborate new positions being taken back or prepared before May.

Mr. HAMILTON. So our position will be to say that it's their move basically; is that right?

Ms. RIDGWAY. Yes; at least to indicate a willingness to engage us on those questions that we had outlined in the joint statement on that 50 percent, on IMF.

MBFR NEGOTIATIONS

Mr. HAMILTON. With regard to the other negotiations, I would like to get some indication from you as to how they stand. In the MBFR negotiations in Vienna, there was some hope that progress was being made with our proposal, but I take it that that proposal was not taken up by the Soviets. Is that also a situation without progress?

Ms. RIDGWAY. Yes, and a disappointing response on the part of the Soviets; we thought we were being very imaginative as I said to Congressman Smith, but we continue to say to the Soviets: "Come on, we did something significant. Give us a different kind of answer." But it's on hold at the moment.

Mr. HAMILTON. Have we extended the idea of an initial cut and then a subsequent freeze in the troop levels?

Ms. RIDGWAY. Certainly moving in that direction, yes—the initial cut and small cuts, and then seeing where we are.

The real sticking point is on verification and how you move them in and out, and they have come back to the question of which troops do you count.

Mr. HAMILTON. They have come back to what issue?

Ms. RIDGWAY. To the question of which troops do you count; that's the very problem we were trying to solve.

Mr. HAMILTON. Thus they really have not accepted the idea that we put forward which called for the initial cuts and then——

Ms. RIDGWAY. Their response—excuse me.

Mr. HAMILTON. Go ahead.

Ms. RIDGWAY. Their response included initial cuts. They changed the numbers a little bit so that the proportions were a little more favorable. So that part, that concept of small initial cuts——

Mr. HAMILTON. They accepted that?

Ms. RIDGWAY. They accepted.

Mr. HAMILTON. But they didn't like our proposal for 30 inspections? Didn't we propose that, 30 inspections within the next 3 years?

Ms. RIDGWAY. They didn't like that, but they also had some problems as I say, on what you would be inspecting and suggested that when you are looking at troops going back and forth, that you leave out their semiannual troop exchanges and relocations. Well, that's hundreds of thousands of men. If you don't count those, what have you got?

CDE TALKS

Mr. HAMILTON. OK. What is the status of the CDE talks in Stockholm? Can you point to any progress in those discussions on competence and security measures?

Ms. RIDGWAY. Not the kind of progress that we had hoped to be able to make; we still feel that there has been some retreat back to issues that have been settled as long ago as Madrid. What kind of activities you are going to include—both are on hold, Mr. Chairman.

Mr. HAMILTON. When do they go back into session in Stockholm?

Ms. RIDGWAY. They should be going back, I think it is also in May. I know that Ambassador Berry has been in town, but the general assessment of both is nothing is happening in either Stockholm or Vienna at the present time.

CHEMICAL WEAPONS

Mr. HAMILTON. And is that also true with regard to the chemical weapons ban that was mentioned at the summit as an area where we would intensify bilateral discussions?

Ms. RIDGWAY. There were two features of that summit agreement. One had to do with more active consultations with respect to the global ban, and though there have been some talks, I would say perhaps they have not been what we envisaged, and the Secretary had to do with the beginning of experts meetings to talk about proliferation of chemical weapons and there we have had such a meeting and according to the experts who went, there seems to be some mutual interest that we can get ahold of that and might begin to

make some progress on chemical weapons proliferation. Those were the two subjects at Geneva.

Mr. HAMILTON. Is the verification issue the most important outstanding issue blocking the agreement?

Ms. RIDGWAY. On chemical weapons, yes.

Mr. HAMILTON. And no progress has been made there?

Ms. RIDGWAY. No.

RESUMPTION OF UNITED STATES-SOVIET FLIGHTS

Mr. HAMILTON. Now will we begin to resume flights between New York and Moscow this month?

Ms. RIDGWAY. Yes, around the 28th or 29th.

Mr. HAMILTON. And that will be Pan Am and Aeroflot, right?

Ms. RIDGWAY. Yes.

UNITED STATES CONSULATE IN KIEV

Mr. HAMILTON. How about the United States consulate in Kiev? Is that going to be opened some time soon?

Ms. RIDGWAY. We had been hoping to have at least a skelton team in place by May.

Mr. HAMILTON. By May?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. And that still is the target?

Ms. RIDGWAY. That still is the target.

UNITED STATES-SOVIET EXCHANGES

Mr. HAMILTON. Are there any exchange initiatives underway as a result of the summit meeting?

Ms. RIDGWAY. There are quite a few. I have heard of some exhibitions that are going to, art exhibitions that will take place, ballet groups coming to the United States, musical groups going to the Soviet Union.

The people-to-people exchanges that we identify as the President's exchanges initiative, those exchanges are still being worked by Mr. Rhinesmith who has been coordinator for that program.

Mr. HAMILTON. Will the cuts that we imposed on the number of Soviet officials at the Soviet U.N. mission have any impact on the opening of the Kiev consul?

Ms. RIDGWAY. No, sir.

SOVIET PARTY CONGRESS

Mr. HAMILTON. Now reports we have had with regard to the Party Congress in Moscow indicate there were significant personnel changes, but despite that, the language by Gorbachev on economic reforms, that he really did not undertake very significant reform measures or at least didn't announce any at that time.

Is that your impression?

Ms. RIDGWAY. That certainly is my impression, yes.

SOVIET ECONOMY

Mr. HAMILTON. Is it in the United States' interest to have Gorbachev succeed or to fail in his efforts to strengthen and improve the U.S.S.R. economically?

Mr. RIDGWAY. Mr. Chairman, I think that it is not in the long-term interest of the United States to see the Soviet Union entirely failing to meet the social and economic objectives of its people.

I think that while that may be very attractive to some, it would represent the failure of a system, a system we think isn't going to work. It can create a very difficult situation.

I think that if I had to choose between the two, which you are asking me to do, and it is the kind of a question I suppose in tommorrow's paper I can't win either way, I think that it is in the interest of the United States to see to it that to the extent that the Soviet system produces for its people and makes it possible for its people to live better lives, that we would favor that.

Mr. HAMILTON. The argument there being, I presume, that a Soviet Union that's making some economic progress is less dangerous?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. Is that right?

Ms. RIDGWAY. Yes, and also I think we are a society made up of humantarian people, and if, I do not assume that if the economy of the Soviet Union fails that that means that they are going to hold an election and change governments. It's just simply going to fail and a lot of people will pay a lot of prices in the humanitarian sense.

U.N. FRAMEWORK FOR CYPRUS RESOLUTION

Mr. HAMILTON. Has the United Nations had a response from Denktash on the U.N. framework document on Cyprus at this point?

Ms. RIDGWAY. They may have had a private response, Mr. Chairman. I said I am not aware of any public, I am not aware of any response from them either to us or in public.

I don't—I am not aware of any.

Mr. HAMILTON. Do we want the parties to accept that outright?

Ms. RIDGWAY. Yes, or at least to have in principle an acceptance of it and then if there are things to be worked out, work them out, but we think it should be accepted. It's a good framework.

Mr. HAMILTON. Has Mr. Papandreou been helpful in advancing the U.N. effort?

Ms. RIDGWAY. Mr. Papandreou has in public said he supports the U.N. Secretary General's initiative. I'm sure he has as well had some concerns on certain features of it, but publicly he has said he supports it.

Mr. HAMILTON. Now with regard to the Spanish bases, my impression is that the view in Spain is to want a reduction in the United States military presence in Spain. Is that right?

Ms. RIDGWAY. Yes. I think that's a correct statement.

Mr. HAMILTON. What are we going to do to try to accommodate that?

Ms. RIDGWAY. We have found bases for addressing that problem within the negotiations that are to take that up. Now that we know that they are going to be in NATO—we said that was one of the questions that had to be solved because you have to know what it is you are negotiating. We have an agreement that is in place until 1988. We now have the Spanish decision with respect to NATO. We have an agreement reached before the turn of the year about how the two of us would sit down and talk about functions and military missions and roles and within that to see if we couldn't reduce the numbers of United States soldiers if Spanish forces took over these functions, and that's the way it's going to proceed. I think it's a very orderly format before us.

SPAIN AND NATO

Mr. HAMILTON. Are the Spanish going to be interested in the NATO infrastructure program?

Ms. RIDGWAY. I don't know. I would expect so.

Mr. HAMILTON. Have they joined the nuclear planning group in NATO?

Ms. RIDGWAY. Yes.

Mr. HAMILTON. OK. Anything else? We're going to let you off early this afternoon.

We appreciate your presence and your responses.

Ms. RIDGWAY. Thank you.

Mr. HAMILTON. The subcommittee stands adjourned.

[Whereupon, at 3:55 p.m., the subcommittee was adjourned subject to the call of the Chair.]

APPENDIX 1

Supplemental Questions Submitted by the Subcommittee on Europe and the Middle East to the Department of State and Responses Thereto

I. U.S.-SOVIET RELATIONS:

1. On March 7, the U.S. announced that the 3 Soviet Missions to the UN must reduce their staffs from 275 to 170 over the next two years.

   -- Why was this decision made at this time?

   A. -- THE ADMINISTRATION IS DETERMINED TO COMBAT ESPIONAGE AND OTHER ACTIVITIES INIMICAL TO U.S. INTERESTS. WE ARE MAKING A COMPREHENSIVE EFFORT TO ENHANCE OUR COUNTERINTELLIGENCE CAPABILITIES. THIS EFFORT INCLUDES THE MARCH DECISION INVOLVING THE SOVIET UN MISSIONS, TRAVEL RESTRICTIONS ON SOVIET AND OTHER HOSTILE COUNTRY EMPLOYEES OF THE UN SECRETARIAT, AND THE REQUIREMENT THAT SELECTED EASTERN EUROPEAN OFFICIALS IN THIS COUNTRY USE OFM TRAVEL SERVICES. EACH OF THESE ACTIONS WAS TAKEN ON ITS OWN MERITS AND AFTER A CAREFUL WEIGHING OF OUR DOMESTIC AND FOREIGN NATIONAL SECURITY INTERESTS, AND OUR INTERNATIONAL OBLIGATIONS.

   -- ON SEVERAL OCCASIONS, WE HAVE WARNED THE SOVIETS ABOUT INAPPROPRIATE CONDUCT UNRELATED TO UN BUSINESS. THESE MISSIONS CANNOT BE USED AS SURROGATE EMBASSIES OR CONSULATES FOR THE SOVIET UNION. WITH THE EXCHANGE OF KIEV AND NEW YORK CONSULATES, THE SOVIETS CAN HANDLE BILATERAL MATTERS LEGITIMATELY THROUGH THEIR NEW CONSULATE.

-- WHILE THERE IS NEVER A PERFECT TIME FOR SUCH A STEP, WE DECIDED THAT THE SOVIET MISSIONS HAD REACHED A SIZE THAT, BY ANY STANDARD, IS FAR BEYOND WHAT THEY NEED TO CONDUCT LEGITIMATE UN-RELATED BUSINESS, AND THE TIME HAD COME TO ACT. THE NEW CEILING WILL REDUCE THEM TO A REASONABLE SIZE OVER THE NEXT TWO YEARS.

-- What do you see as its impact on the U.S. diplomatic presence in the Soviet Uniion and broader U.S.-Soviet relations?

A. -- WE IMPOSED THIS CEILING AFTER CAREFUL CONSIDERATION. WE HAVE MADE CLEAR TO THE SOVIETS THAT WE REACHED THIS DECISION ON ITS MERITS, BASED ON OUR LEGITIMATE SECURITY CONCERNS; THAT WE ARE PREPARED TO WORK WITH THEM ON THE IMPLEMENTATION OF THE REDUCTION; AND THAT WE LOOK FORWARD TO CONTINUING THE EFFORTS BEGUN BY PRESIDENT REAGAN AND GENERAL SECRETARY GORBACHEV IN THEIR GENEVA MEETING TO BUILD A MORE CONSTRUCTIVE FOUNDATION FOR U.S.-SOVIET RELATIONS.

-- Did you consult with Secretary General Perez de Cuellar prior to this decision?

A. -- WE INFORMED THE SECRETARY GENERAL THE SAME TIME THAT WE INFORMED THE SOVIETS.

-- Is this decision consistent with U.S. obligations under the UN Headquarters Agreement?

A. -- LIMITING THE SOVIET UN MISSIONS TO A REASONABLE SIZE IS CONSISTENT WITH USG HOST COUNTRY OBLIGATIONS UNDER THE UN CHARTER, THE 1947 HEADQUARTERS AGREEMENT, AND THE 1946 CONVENTION ON PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS. THE REDUCTIONS WE HAVE IMPOSED ARE CAREFULLY TAILORED TO AVOID IMPEDING IN ANY WAY THE PERFORMANCE BY THE SOVIET UN MISSIONS OF THEIR LEGITIMATE FUNCTIONS. WHILE NONE OF THE INSTRUMENTS IN QUESTION EXPRESSLY AUTHORIZE SUCH MEASURES, IT IS GENERALLY RECOGNIZED THAT THE SOVIET UNION, AS A SENDING STATE, IS OBLIGED NOT TO ESTABLISH MISSIONS THAT EXCEED A REASONABLE SIZE IN TERMS OF THEIR OBJECTIVE REPRESENTATIONAL REQUIREMENTS. INDEED, THIS OBLIGATION IS EXPRESSLY CODIFIED IN ARTICLE 14 OF THE 1975 VIENNA CONVENTION ON THE REPRESENTATION OF STATES IN THEIR RELATIONS WITH INTERNATIONAL ORGANIZATIONS OF A UNIVERSAL CHARACTER, TO WHICH THE SOVIET UNION IS PARTY. WHILE THE UNITED STATES IS NOT PARTY TO THE 1975 CONVENTION FOR REASONS UNRELATED TO ARTICLE 14, WE REGARD THAT ARTICLE AS DECLARATIVE OF AN INDEPENDENTLY EXISTING PRINCIPLE.

-- THE SIZE OF THE SOVIET UN MISSIONS IS UNREASONABLE BY ANY TEST, AND AS SUCH CONSTITUTES AN ABUSE OF THE RIGHT OF REPRESENTATION. UNDER SUCH CIRCUMSTANCES THE UNITED STATES AS HOST COUNTRY MAY PROBABLY TAKE APPROPRIATE REMEDIAL ACTION, WHICH WE HAVE NOW DONE.

ARTICLE 14 OF THE 1975 VIENNA CONVENTION PROVIDES AS FOLLOWS:

THE SIZE OF THE MISSION SHALL NOT EXCEED WHAT IS REASONABLE AND NORMAL, HAVING REGARD TO THE FUNCTIONS OF THE ORGANIZATION, THE NEEDS OF THE PARTICULAR MISSION AND THE CIRCUMSTANCES AND CONDITIONS IN THE HOST STATE.

-- Does the Secretary General share your evaluation concerning the legality of this decision?

A. -- THE SECRETARY GENERAL HAS NOT CHALLENGED OUR RIGHT TO LIMIT THE SOVIET UN MISSIONS TO A REASONABLE SIZE. INDEED, DURING THE DEBATE ON THE QUESTION IN THE HOST COUNTRY COMMITTEE, THE UN LEGAL COUNSEL DELIVERED A STATEMENT IN WHICH HE EXPRESSLY RECOGNIZED THE RELEVANCE OF THE "REASONABLE SIZE" PRINCIPLE REFLECTED IN ARTICLE 14 OF THE 1975 VIENNA CONVENTION.

-- One of the agreements reached at the Geneva summit was to establish a U.S. Consulate General in Kiev and a Soviet Consulate General in New York. it is expected that this Consulate General in new york will open in the summer with some 30 officials. How is the present decision to allow 30 more Soviet officials to come to New York consistent with a decision to cut the Soviet presence in New York?

A. -- THESE TWO DECISIONS -- TO REDUCE THE SIZE OF THE SOVIET UN MISSION, AND TO OPEN CONSULATES GENERAL IN KIEV AND NEW YORK -- ARE CONSISTENT.

-- THE PRESIDENT DECIDED THAT AN EXCHANGE OF SOVIET AND U.S. CONSULATES WOULD BE IN OU[illegible]ONAL INTEREST. KIEV IS STRATEGICALLY LOCATED IN THE SOVIET UNION, THE CAPITAL OF ITS SECOND LARGEST REPUBLIC. THE UKRAINE IS A VERY IMPORTANT INDUSTRIAL AND AGRICULTURAL CENTER OF THE SOVIET UNION. SIGNIFICANT NUMBERS OF AMERICANS TRAVEL TO THE UKRAINE, AND WE WILL SOON BE ABLE TO PROVIDE CONSULAR SERVICES WHICH WERE PREVIOUSLY UNAVAILBLE, OR DIFFICULT TO PROVIDE.

-- WE ALSO DECIDED THAT IT WAS NECESSARY TO CUT THE SOVIET UN MISSIONS. EVEN WITH THE 30 PERSONNEL WHO WILL BE ASSIGNED TO THE NEW SOVIET CONSULATE GENERAL, THE EFFECT OF THE UN MISSION CUTS WILL BE A NET REDUCTION OF 75 IN THE OFFICIAL SOVIET PRESENCE IN THE NEW YORK AREA.

-- THIS REPRESENTS A SIGNIFICANT STEP IN CONTROLLING THE HOSTILE INTELLIGENCE THREAT, WHILE MAINTAINING A BALANCE BETWEEN OUR DOMESTIC AND FOREIGN SECURITY INTERESTS, INCLUDING OUR ABILITY TO COLLECT INTELLIGENCE, REPORT ON EVENTS IN THE SOVIET UNION, AND PROVIDE CONSULAR SERVICES TO AMERICANS.

2. Is it correct that the Soviet-installed government in Afghanistan has for the first time provided a specific timetable for the withdrawal of Soviet military forces in conection with a negotiated settlement of the war?

-- Is it correct that the Pakistani government has rejected the proposed timetable as too lengthy?

-- What is your response to this proposal?

-- Do you consider this proposal a possible bellweather of changing Soviet policy on the war, or do you consider it a public relations ploy?

-- Do you consider this proposal a basis for further negotiation in the next round of UN-sponsored proximity talks?

A: The UN Secretary General's personal representative has announced that he has received a timetable from the representatives of the PDPA regime in Afghanistan. As you know the U.S. is not a party to the UN indirect talks and we have never seen a text of a proposed Soviet withdrawal timetable.

I would have to refer you directly to the Government of Pakistan, which is a participant in the negotiations, for their views. For our part, we have said on a number of occasions that the U.S. strongly supports the efforts of the Secretary General's personal representative to find a negotiated settlement or the Afghanistan problem in accordance with the terms of resolutions passed by overwhelming majorities in seven successive sessions of the UN General Assembly.

Soviet policy should be judged by Soviet actions on the ground and the seriousness with which they pursue a negotiated settlement. While the Soviets have acknowledged more directly in recent months that Afghanistan is a major problem which requires a serious political effort, they have at the same time intensified their own role in the fighting in Afghanistan. For six years, we have said that the central issue is the withdrawal of Soviet troops. We are pleased to see that a further round of UN talks will begin in Geneva on May 5. At that time we may gain a better idea of whether the Soviet Union is seriously addressing the troop withdrawal issue. We would only note that any political settlement must be acceptable to the Afghan resistance fighters and refugees.

3. What do you see as the new role of Anatoly Dobrynin in the party Secretariat?
-- Will he have chief responsibility for U.S. - Soviet affairs?
-- Who will be Dobrynin's replacement in Washington?

A. Dobrynin has assumed Boris Ponomarov's position as head of the International Department of the CPSU. Traditionally the International Department has had responsibility for non-ruling parties, not government-to-government relations. However, given Dobrynin's stature, it is conceivable that his responsibilities will be broader. He will undoubtedly continue to exercise considerable influence in the area of U.S.- Soviet relations. At this point, it is not clear what relationship he and the International Department will have with the MFA -- the traditional focal point for policy-making on U.S. and broader East-West issues.

The Soviets have not yet requested agrement for a new Ambassador. The names of several possible candidates have been mentioned in the media but it would be inappropriate to speculate publicly about a successor.

4. How much revenue is the Soviet Union losing because of falling oil prices?

At the 1985 level of oil exports to the West of approximately 438 million barrels, the Soviet Union can be shown to lose between $400 and $500 million in hard currency earnings per $1 decline in the price of oil. Even if this level of exports can be maintained, an average price of $15 per barrel during 1986 would result in a loss of oil revenues in excess of $5 billion as compared with 1985. This is following a reduction in hard currency earnings during 1985 of $3-4 billion resulting from a decline in oil production. In 1984 (the last year for which we have full year data), hard currency earnings totaled $31.6 billion, of which roughly half were generated by oil exports, and another 15% by natural gas.

-- What do you see as the impact on Soviet policy of falling prices?

The Soviets will continue previous efforts at conservation and substitution of other forms of energy for domestic oil consumption, but many believe that these measures will not add appreciably to available supplies for export. The possibility of increasing gas exports to the West is limited by, among other things, competition from cheap oil. To make up the shortfall in hard currency, the Soviets have the options of reducing the quantity of oil supplied to Warsaw Pact countries, increasing foreign borrowing, and increasing sales of gold, as

well as other nonenergy exports such as diamonds and arms. They may also reduce hard currency imports. We believe that they are unlikely to reduce significantly supplies of oil to the already troubled economies of Eastern Europe for political reasons, and we have signs that they will not allow foreign debt to increase markedly in 1986. Of the nonenergy products available for export, gold is the most promising, since the traditional buyers of Soviet arms are also troubled by reduced oil revenues. There is mounting evidence that the Soviet response to reduced hard currency earnings will be a reduction of hard currency expenditures. Imports of Western technology (with the exception of oil-related technology) are apt to be cut back, along with imports of foreign grain. This has serious implications for Gorbachev's industrial modernization plan, as well as the planned dietary improvements of the Soviet consumer supported by grain imports--particularly in the event of any substantial shortfalls in the Soviet grain crop. It also has serious implications for the export aspirations of U.S. agricultural interests, which are already feeling the effect of reduced Soviet grain purchases.

--Is Eastern Europe still being charged for oil at a 5-year moving average price? What is the price at this time?

Eastern Europe at this point is still receiving oil from the Soviet Union at a five year moving average price. At first glance, this would seem to work a considerable hardship on them, since at present that price is approximately $30 per

barrel. Most of this oil is paid for by barter, but many analysts suspect that East European goods used to pay for the oil are greatly overpriced, since they could not be sold in the West for the stated evaluation. The exception to this is Romania, which presumably pays in hard currency or barters hard goods at world market prices. In any event, only a relatively small amount of Romania's imported oil is from the Soviet Union.

What are the implications for Eastern Europe of such oil prices?

During the era of high world prices, the five year index pricing system has been of considerable benefit to the East Europeans. It would work a serious hardship on their already troubled economies now, however, if they were forced to pay in real terms double the world price of oil. About two years are required before the lower world price will significantly reduce the five year index which they pay. They have been reexporting to the West a considerable quantity of petroleum products manufactured from Soviet oil. If they continue this practice, instead of going to the world market for their oil, this will be a good indication that the nominal price they pay the Soviet Union does not reflect their real cost.

II. WEST EUROPE ISSUES

A. Trade Relations

1. Q. Is there any progress on some of the other issues in U.S.-EC trade, such as citrus, EC restrictions affecting U.S. meat imports, or corn gluten?

-- What is the state of discussions concerning U.S. retrictions on imports of semifinished steel from the EC?

A. -- DURING THE WEEK OF APRIL 7 THE U.S. HELD A FOURTH ROUND OF TALKS WITH THE EC COMMISSION ON THE CITRUS DISPUTE. WE ARE STILL QUITE FAR APART IN WHAT THE EC IS OFFERING AND WHAT WE ARE REQUESTING BUT BOTH SIDES HAVE AGREED TO KEEP WORKING TOWARD A SETTLEMENT. THE AGRICULTURE DEPARTMENT AND THE EC COMMISSION CONTINUE TO DISCUSS THE EC RESTRICTIONS THAT WILL AFFECT U.S. MEAT EXPORTS TO THE EC. THE PRESIDENT HAS DECIDED ON A SECTION 305 INVESTIGATION OF THE EC'S THIRD COUNTRY MEAT DIRECTIVE. WE HAVE WARNED THE EC THAT FAILURE TO ACHIEVE A SATISFACTORY SOLUTION COULD LEAD TO INTERRUPTION OF THE TWO WAY MEAT TRADE. THERE ARE AT PRESENT NO EC RESTRICTIONS ON CORN GLUTEN FEED. THE U.S. WILL BE MEETING WITH THE EC COMMISSION ON APRIL 25, ON THE MARGINS OF THE OECD STEEL COMMITTEE, TO DISCUSS THE SEMI-FINISHED STEEL ISSUE.

2. Q. The EC reportedly has lifted all the tariff bindings (ceilings) it negotiated with the U.S. in the last GATT round, the Tokyo round. These bindings were principally on U.S. agricultural products. Is this report true?

-- What significance do you see in this EC action?

-- Do you expect that EC tariffs on these products will now be raised above the binding levels?

-- How supportive has the EC been on preparations for the next GATT round?

-- Is the EC prepared to discuss the CAP fully within the new GATT round?

A. -- THE EC HAS LIFTED ALL TARIFF BINDINGS BUT CONTINUES TO APPLY ITS CURRENT TARIFF SCHEDULE. THIS IS TRUE FOR BOTH INDUSTRIAL AND AGRICULTURAL TARIFFS. THE EC HAS DONE THIS BECAUSE IT INTENDS TO PLACE ON THE ARTICLE 24:6 NEGOTIATING TABLE A NEW COMMON EXTERNAL TARIFF BASED ON THE TRADE WEIGHTED AVERAGES OF THE EC-10 PLUS SPAIN AND PORTUGAL. WHETHER THE EC COMMON EXTERNAL TARIFF WILL ULTIMATELY BE RAISED DEPENDS ON THE OUTCOME OF THE GATT ARTICLE 24:6 NEGOTIATIONS.

THE EC HAS BEEN VERY SUPPORTIVE ON PREPARATIONS FOR THE NEXT GATT ROUND INCLUDING TRADE IN SERVICES. REGARDING INTELLECTUAL PROPERTY AND INVESTMENT ISSUES, THE EC BELIEVES WE SHOULDN'T OVERLOAD THE AGENDA FOR THIS ROUND. THE EC IS PREPARED TO DISCUSS AGRICULTURAL TRADE ISSUES IN THE NEW GATT ROUND BUT NOT THE CAP PER SE. THE EC CONSIDERS THE CAP THE CEMENT THAT BINDS THE EC TOGETHER.

3. Q. The U.S. is interested in what steps the EC may take to open its telecommunications market to U.S. companies. What do you anticipate the community will do in this area?

-- Will we insist that telecommunications be included in the next GATT round?

A. -- THE DEPARTMENT OF COMMERCE, IN COOPERATION WITH THE DEPARTMENT OF STATE AND OTHER AGENCIES, IS CURRENTLY HOLDING A SERIES OF MARKET ACCESS FACT FINDING (MAFF) TALKS WITH THE MAJOR EC COUNTRIES. TWO ROUND OF TALKS HAVE BEEN HELD WITH WEST GERMANY AND ONE ROUND WITH ITALY. TALKS WITH FRANCE ARE PROPOSED FOR THE SUMMER. OUTSIDE THE MAFF PROCESS, THERE HAVE ALSO BEEN INFORMAL CONSULTATIONS RECENTLY WITH SPAIN AND THE NETHERLANDS.

COMMERCE WILL BE REPORTING IN DETAIL ON THE OUTCOME OF THE MAFF TALKS. WE ARE CAUTIOUSLY OPTIMISTIC THAT THERE WILL BE INCREASED MARKET LIBERALIZATION IN A NUMBER OF EUROPEAN COUNTRIES. THE DUTCH HAVE ALREADY TOLD US THAT THEY WILL BE OPENING THEIR MARKET FOR NEWER TYPES OF EUIPMENT. WE HAVE ALSO HEARD ENCOURAGING SIGNALS FROM THE NEW FRENCH GOVENMENT. IN WEST GERMANY, THERE ARE SIGNS THAT PRIVATE SECTOR FIRMS ARE BECOMING MORE INVOLVED IN THE DECISION MAKING PROCESS.

THE EC COMMISSION IS ATTEMPTING TO OPEN THE MARKET TO TRADE IN TELECOMMUNICATIONS EQUIPMENT BETWEEN THE MEMBER STATES. THIS IS BEING DONE THROUGH HARMONIZATION OF STANDARDS, OPENING OF GOVERNMENT PROCUREMENT, JOINT RESEARCH AND DEVELOPMENT, AND ENFORCEMENT OF EC ANTI-MONOPOLY LAWS. THE U.S. IS CLOSELY FOLLOWING THESE DEVELOPMENTS TO ASSURE THAT U.S. SUBSIDIARIES IN EUROPE AND U.S. BASED FIRMS CAN PARTICIPATE IN THE EC PROGRAMS AND ULTIMATE MARKET OPENING.

--WE HAVE REPEATEDLY STATED THAT WE INTEND FOR ALL PRODUCTS AND SERVICES TO BE INCLUDED UNDER THE NEW GATT ROUND AND HAVE PLACED SPECIAL EMPHASIS ON THE INCLUSION OF HIGH-TECHNOLOGY GOODS AND SERVICES. THIS INCLUDES TELECOMMUNICATIONS. OTHER INITIATIVES INCLUDE EXPANSION OF THE GOVERNMENT PROCUREMENT CODE TO INCLUDE MORE TELECOMMUNICATIONS ENTITIES.

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4. In early March the West German government dropped its discount rate by one-half of a percent. This action came in the wake of pressure from the U.S. and other Western governments to take steps to expand their economy.

-- Is the Administration satisfied with the German action, or does it believe the Germans should do more?

A. The latest round of discount rate cuts demonstrates both the benefits of sustained anti-inflation policies and the importance of cooperative action. We will be working together with our partners to promote further convergence of economic performance and a strong, stable global economy.

In spite of recent positive developments such as the discount rate and oil price declines, substantial external imbalances will persist -- particularly in Germany and Japan. We believe that stronger European and Japanese growth would help reduce trade and current account imbalances further.

-- Is such pressure on the Germans still necessary in light of a higher rate of economic growth in West Germany (4-4.5%) and in Western Europe than was projected even six months ago?

A. The improved outlook in Germany and Western Europe is heavily dependent on the favorable effects of lower oil prices which do not represent a durable or lasting change in fundamental economic performance. We believe that further German measures to strengthen domestic growth over the medium term would help reduce trade and current account imbalances.

-- The drop in world oil prices has helped spur an economic revival in Western Europe. Do you believe these changes are enough to give Europe a period of sustainable economic growth?

A. The recent decline in oil prices is a major change in the international economic environment, and should have positive effects on both external imbalances as well as on domestic performance of most industrialized countries.

We expect lower oil prices to add up to a point to real GNP growth in Germany in the first year. The rest of Europe should benefit also from oil price declines. Even the U.K. will benefit, in the longer term, from stronger growth in its major trading partners. Inflation rates will also be positively affected by the oil price declines. Germany and Japan could experience zero or even negative inflation rates.

However, for Europe to achieve stronger, more sustained growth over the medium term, more needs to be done to strengthen domestic growth, such as the removal of structural rigidities which continue to thwart the efficient use of economic resources.

-- The drop in world oil prices has helped spur an economic revival in Western Europe. Do you believe these changes are enough to give Europe a period of sustainable economic growth?

-- If not, what more should Europeans do?

A. In order to achieve stronger, more sustained growth over the medium term, we believe that Europeans should reduce the structural rigidities that hamper efficient use of their economic resources. These are particularly troublesome in the labor market where they often serve as disincentives to increasing both the supply and demand for employment.

Specifically, high minimum wages, strict hiring/firing regulations, excessively generous unemployment and/or employee benefits programs all serve to brake economic growth and employment generation. Governments, while increasingly mindful of the distortions these rigidities cause, have been relatively slow to date in taking measures to reduce or eliminate them.

Europeans will need also to take measures to liberalize their capital markets and to reform their tax systems which too often discourage private initiative and work effort.

We have discussed the need for structural adjustment measures frequently with our European partners over the last few years. We discussed this issue at the Bonn economic summit last year, and will want to review progress to date in this area at the upcoming Tokyo summit.

B. Technology Transfer Issues

1. In early February, two Foreign Affairs Committee staffers visited Paris for purposes of Congressional oversight over the U.S. role in COCOM. They were denied observer status on the U.S. delegation, although therehad been precedent for this in the past.

-- Why was their observer status denied?

-- What is the State Department position on this matter?

-- Don't all members of COCOM have the right to determine the composition of their delegations there without the approval of other COCOM members?

-- Do other COCOM members routinely ask for U.S. approval before assigning individuals to their delegations?

-- Can you give the Committee assurances that in the future staffers can, from time to time, observe COCOM sessions?

We want to do all we can to facilitate the work of Congressmen and their staffs in their COCOM oversight responsibilities and are prepared to work with the Committee to ensure that it has all the necessary information. Congressional staff attendance at selected COCOM meetings is one way that needed information could be obtained. It can also be accomplished through:

- o briefings at the Department;
- o briefings at the U.S. Delegation to COCOM;
- o visits to COCOM facilities; and
- o facilitating contact with other delegations and COCOM officials.

It is Department of State policy to consider Congressional staff participation (including organizations affiliated with Congress) case-by-case and on its own merits. All COCOM countries have the right to determine, at their own discretion, whom they send to COCOM meetings. And, on occasion, Foreign Affairs Committee staffers have sat in on COCOM meetings. When the question of legislative participation in COCOM was raised directly with COCOM in April 1985, however, the reaction on the part of other members was universally negative. Similarly, the request for staff attendance at the February 1986 meeting received "immediate strong negative reaction".

While this reaction made it inadvisable for staffers to attend the February meeting, it does not, of course, preclude such attendance in the future. In this connection, we would take into account the nature and agenda of the meeting, e.g. attendance at a Budget Subcommittee meeting would be more relevant than a list review meeting.

2. It is reported the Department of Defense will now have a representative on the U.S. delegation to COCOM. What is the reaction of the other COCOM members to this officer's presence?

-- Does Defense Department presence strengthen the suspicions of many U.S. allies that the Department of Defense is gaining a stronger voice in what are commercial and foreign policy questions, as well as security matters?

-- Will this DOD representative be directly responsible to Ambassador Streator, or will he be able to deal directly with the Defense Department?

-- Is it correct that the U.S. is the only COCOM member with a military representative assigned to its delegation?

-- What is the justification for his presence?

-- Would it be better for the diplomatic process with U.S. allies that the technical expertise provided by this officer be supplied instead by trained State Department officers?

We have given agreement in principle to a military presence on the U.S. Delegation to COCOM. We are now working out formal arrangements in accordance with internal United States Government requirements that staffing changes in overseas missions be reviewed and approved by the Chief of Mission in consultation with the Department of State.

Pending interagency agreement, the position in Paris awaits to be established. As proposed by the Department of State in coordination with our Mission to the OECD and our Embassy to France, the Department of Defense adviser would be responsible to Ambassador Streator. He would function as a fully integrated member of the U.S. Delegation to COCOM, and should neither have direct dealings with the Department of Defense nor respond to tasking from the Department of Defense except as passed to him through the Department of State. His primary function would be to serve as the adviser to the Permanent U.S. Delegate to COCOM on strategic and military aspects of

questions under discussion in COCOM. Such a function could not be better filled by a Department of State as opposed to a Department of Defense officer.

We know of no military representatives being assigned to the delegations of other COCOM member countries. With COCOM's recent decision to establish a framework for greater defense/scientific input into the COCOM process, however, other member countries are beginning to send military representatives to specific meetings when appropriate. There have been informal expressions of concern on the part of our COCOM partners over the establishment a military presence on our COCOM delegation. However, under the terms of reference for the position, as coordinated by the Department of State and the two missions, there is little reason for our allies to fear that this Department of Defense presence will signify a stronger DOD voice in commercial and foreign policy questions.

3. In a recent speech, Secretary of Commerce Malcolm Baldrige recommended that the list of high technology goods banned for export to the Soviet Union and other controlled countries could be reduced by 30-40%.

-- What is your reaction to that statement?

-- Would you agree with Baldrige's statement that it is much easier to add things on this list than to take them off?

-- If so, does this mean that there is a likelihood that such controls will greatly expand during the next years rather than be limited to specific forms of advanced technology?

It seems clear from Secretary Baldrige's remarks that he is referring to that part of the U.S. export control regulations which have been mutually agreed to with our COCOM partners. For these COCOM control list items, the only mechanism for either increasing or decreasing the numbers of listed items and/or the levels of technology they cover is the list review process. Our experience with that process is that it is far easier for our COCOM partners to consider taking items off the list than adding them. Because of this, we consider it unlikely that controls will be greatly expanded in the next years.

III. COUNTRY QUESTIONS

A. Eastern Mediterranean Issues

1. What is your assessment of the Western European response to the U.S. 6th Fleet's recent actions in the Gulf of Sidra?

-- Were any NATO facilities used for the conduct or support of the U.S. operations?

-- Was the Italian reaction, which stated strong concern about the implications of U.S. action for the region, surprising or unexpected?

-- The Italians have argued that they were not directly informed about the incidents that took place involving U.S. aircraft. Is this true?

-- In light of recent incidents, including the planting of a bomb on a TWA airliner that had taken off from Rome airport, do the Italians continue to believe that differences with Qadhafi can be negotiated?

-- Did the U.S. seek to obtain a declaration of support from the NATO council of delegates in Brussels?

A. The Western European nations share the U.S. view that Qadhafi's claim to jurisdiction over the Gulf of Sidra is legally unfounded. They support the right to free navigation in the Gulf as international waters. The Europeans regretted Libya's attempt to assert its claim over the Gulf by armed force against the United States and the consequent need for the United States to exercise its right of self-defense.

-- NATO facilities were not used in direct conduct of the U.S. operation.

-- Italy's reaction was not particularly surprising or unexpected. I should point out that while Italy was concerned over the use of armed force, Italy did not waver in its support of our right to free navigation in international waters, i.e. the Gulf, and our right of self-defense.

-- Italy was kept appropriately informed.

-- Italian views with respect to Libya are evolving as events unfold. As a matter of principle, however, the Italians believe that international differences should be negotiated over rather than fought over.

-- We consulted with our NATO Allies both in capitals and in Brussels, in connection with our freedom of navigation exercise. Although we welcomed statements of support issued by various Allied governments, we did not seek a declaration by the North Atlantic Council.

B. Eastern Europe

1. Three East European governments--Bulgaria, Czechoslovakia, and Poland--have informed the United States that they are taking travel measures against U.S. diplomats and other officials in retaliation for staps taken by the United States against them beginning in January 1986. These amount to a tit for tat for restrictions imposed by the Administration to help the FBI keep closer track of Communist officials.

-- What are the new restrictions on U.S. officials?

A. The travel measures instituted by Bulgaria and Czechoslovakia are reciprocal to those implemented for Bulgarian and Czechoslovak diplomats and their families by the United States early this year. At least two days before each planned trip in the country concerned, Embassy personnel are required to book all commercial travel and lodging accommodations through an office established by the host government for that purpose. In the case of Poland, American official personnel will be required, once the regulations go into effect on May 1, to give 48 hour advance notification to the Polish Ministry of Foreign Affairs of the itinerary for all travel, including by private automobile. No booking requirements will apply, however.

--Will these new restrictions severely hinder U.S. officials in their work?

A. The procedures are new and still being evaluated. In all three countries, much depends on how rapidly the official travel service office is able to deal with Embassy requests for emergency travel to deal with emergency consular cases.

fast-breaking political developments, and sudden medical problems involving Embassy personnel and their families. In the case of Poland, we anticipate that the regulations will indeed hinder U.S. officials from carrying out certain aspects of their responsibilities in an expeditious and unimpeded manner. As noted, the measures implemented by the Polish Government are not strictly reciprocal and apply to all means of travel for whatever purpose, including even simple, one day recreational excursions by automobile and international travel.

-- When you imposed restrictions on Warsaw Pact officials, did you take into account the likelihood that similar restrictions would be imposed against U.S. diplomats? Did you decide to proceed with these restrictions despite the likelihood of this response?

A. The travel measures affecting the diplomats of certain East European governments serving in the U.S. were instituted to meet certain domestic needs related to national security. They were not intended to limit the travel of these diplomats within our country, and every effort is being made to process their travel service requests expeditiously and without inconvenience to the individual. The possibility of reciprocal action by the governments concerned was of course taken into consideration, when the U.S. decided to implement travel service requirements.

2. West German and Albanian officials met in Vienna in March for preliminary talks about establishing diplomatic relations.

-- When do you expect will be the next round of discussions?

A. West German and Albanian officials have met in Vienna for confidential talks about establishing diplomatic relations. We understand some progress has been achieved, but it is not known when the two sides might meet again on this issue.

-- What is the status of talks between Albania and Britain concerning the return of Albania's gold and the payment of compensation by Albania for the destruction in 1946 of two British destroyers?

A. British and Albanian representatives held talks in 1985, regarding the unpaid International Court of Justice award against Albania in favor of the U.K. (over the destruction of two British warships and loss of life in 1946) and to explore ways in which agreement might be reached by the Tripartite (U.S.-U.K.-French) Gold Commission for the transfer of Albania's allocation of Nazi-looted gold. We understand that the Albanian side is considering proposals conveyed to it by the U.K. representatives.

-- Do you see a trend of Albania expanding its ties with the outside world, specifically western Europe if not yet with the United States?

A. The Albanian leadership since Hoxha's death has continued a policy, begun several years ago, of modifying slightly its former "go it alone" policy by slowly increasing under carefully controlled circumstances its economic, cultural, and diplomatic contacts with selected neighboring and West European

countries. Since Albania produces relatively few products that are marketable in the West and refuses to accept commercial credits, possibilites for increased trade with the West remain limited by foreign exchange constraints. To date the Albanian Government has persistently rejected any consideration of establishing diplomatic relations with the United States.

3. The West Germans reportedly have extended Poland export credits, the first such guarantees since 1981.

-- Why the change in German policy?

A. The FRG has agreed to resume approval of up to 100 million DM in HERMES export credit guarantees, previously suspended in reaction to the imposition of martial law in Poland. The guarantees reportedly are intended largely for cooperative projects. The Government of the FRG had conditioned the resumption of guarantees on fulfillment by the GOP of prerequisites, including the clearing of arrears dating from the 1981 rescheduling agreement; GOP agreement to the terms of the 1982-84 Paris Club rescheduling; and GOP agreement to the 1985 Paris Club rescheduling.

The FRG decision guarantees were preceded by the French offer to extend 170 million FFR in COFACE guarantees. The GOF based its decision on the successful signing of the French-Polish bilateral 1982-84 rescheduling agreement.

-- Is this a signal for a general change in Western policy towards Poland?

A. Both the FRG and the French decision to extend trade guarantees are very modest efforts to encourage Polish cooperation in debt rescheduling exercises. They do not signal a fundamental shift in Western policy toward Poland, nor in the general negative assessment of Poland's creditworthiness.

C. Malta

1. Q. There were reports that the Prime Minister of Malta, Karmenu Mifsud-Bonnici, went to Libya to try to defuse the situation between the U.S. and Libya. Are such reports true?

A. Maltese Prime Minister Mifsud-Bonnici went to Libya March 26 during the Gulf of Sidra exercise in what he described as an effort to defuse the confrontation between the U.S. and Libya.

Q. Did the U.S. know about the Prime Minister's trip in advance?

A. Ambassador Gary Matthews was informed prior to the departure of the Prime Minister for Libya.

Q. Are Malta's relations with Libya still close?

A. Malta, because of its geographic location, has historical cultural and trade ties with Libya. Relations have had their ups and downs however. Recently there appears to have been a warming of relations. The improvement in Libyan-Maltese relations has not helped in Malta's relations with the U.S.

Q. Does the Maltese defense alliance with Libya still stand in force?

A. Malta has a neutrality agreement with Libya and several other countries including Italy. The agreements with Libya and Italy have military assistance dimensions. However, we would not characterize the agreement with Libya as a "defense alliance".

Q. Would you agree with the observation that recently Malta has tried to improve its relations with the U.S.?

A. The Government of Malta has told us that it wants to improve relations with the US. We share this objective and are seeking concrete manifestations in the conduct of our normal diplomatic relations.

2. Q. The Maltese-American Foundation recently requested National Endowment for Democracy funding for an Observation Team to observe the next parliamentary elections in Malta which are to be held before May, 1987.

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Why did the State Department resist this request to NED given allegations made during previous elections in Malta?

A. The NED requested the Department's opinion concerning the request to send an observer team to Malta during the elections. The Department was of the opinion that the proposed NED observer team would inevitably be identified with the United States Government. The team's activities would give rise to accusations of interference in the internal affairs of Malta. In addition, Malta has a foreign non-intervention act under which it is possible that the team would be denied entry. The net effect would be to focus on the alleged U.S. role in the elections rather than on Maltese issues. Furthermore, since the opposition is quite strong in Malta, and will provide a loud and well covered presence in the election, there is reason to doubt whether such an observer team would be necessary.

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D. FORMER UN SECRETARY GENERAL WALDHEIM

Q. What is the State Department's view of this controversy? Who, in your view, should be responsible for investigating the matter?

A. THE ALLEGATIONS AGAINST WALDHEIM RANGE IN SEVERITY FROM HIS FAILURE TO TELL THE WHOLE TRUTH ABOUT HIS WARTIME ACTIVITIES TO PARTICIPATION IN REPRISALS AGAINST PARTISANS AND THE DEPORTATION OF JEWS. THE ATTORNEY GENERAL AND THE SECRETARY OF STATE HAVE STATUTORY RESPONSIBILITY TO ENFORCE AND TO ADMINISTER THE IMMIGRATION LAWS. SECTION 212(a)(33) OF THE IMMIGRATION AND NATIONALITY ACT OF 1952 EXCLUDES CERTAIN ALIENS WHO, IN CONNECTION WITH NAZI PERSECUTION DURING WORLD WAR II, "ORDERED, INCITED, ASSISTED, OR OTHERWISE PARTICIPATED IN THE PERSECUTION OF ANY PERSON BECAUSE OF RACE, RELIGION, NATIONAL ORIGIN OR POLITICAL OPINION." PURSUANT TO THESE RESPONSIBILITIES WE ARE ANALYSING THE MATERIALS AVAILABLE TO US AND ASSISTING IN A DEPARTMENT OF JUSTICE INVESTIGATION OF MR. WALDHEIM'S WARTIME ACTIVITIES.

EARLIER THIS MONTH, THE UNITED NATIONS AGREED TO MAKE ITS WAR CRIMES COMMISSION FILE ON WALDHEIM AVAILABLE TO AUSTRIA AND ISRAEL. WE ALSO OBTAINED A COPY OF THE FILE. ACCESS WAS GRANTED ON THE BASIS THAT THE INFORMATION WOULD BE TREATED AS CONFIDENTIAL. WE HAVE PROVIDED A COPY OF THE FILE TO THE DEPARTMENT OF JUSTICE.

OUR EXAMINATION IS UNDERWAY. WE WILL WORK CLOSELY WITH THE DEPARTMENT OF JUSTICE AND INFORM YOU OF SIGNIFICANT DEVELOPMENTS.

Q. What about other governments' investigations?

A. BOTH AUSTRIA AND ISRAEL REQUESTED THE UN FILE. ACCORDING TO PRESS REPORTS ISRAEL HAS CITED THE ON-GOING AUSTRIAN PRESIDENTIAL CAMPAIGN, IN WHICH WALDHEIM IS A CANDIDATE, AS A REASON NOT TO COMMENT AT THIS TIME. (THE ELECTION IS SCHEDULED FOR MAY 4 WITH A POSSIBLE RUNOFF ON JUNE 8.) AUSTRIAN PRESIDENT KIRCHSCHLAEGER ON APRIL 22 CONCLUDED HIS OWN EXAMINATION OF THE UN FILE AND MATERIALS PROVIDED HIM BY THE WORLD JEWISH CONGRESS AND WALDHEIM. HIS PERSONAL ASSESSMENT WAS THAT HE "WOULD NOT DARE TO LEVEL CHARGES IN AN ORDINARY COURT ON THE BASIS OF THE PIECES OF EVIDENCE SUBMITTED TO ME." KIRCHSCHLAEGER CONCLUDED THAT WALDHEIM MOST LIKELY KNEW OF WEHRMACHT ACTIONS DIRECTED AGAINST PARTISANS AND STATED THAT THE EVIDENCE HE HAD WAS NOT CONCLUSIVE AS TO WHETHER OR NOT WALDHEIM KNEW OF JEWISH DEPORTATIONS BY HIS UNIT.

Q. Do you consider this matter the primary responsibility of Greece and Yugoslavia to become involved in?

A. WHILE WE HAVE A STATUTORY RESPONSIBILITY TO ADMINISTER THE U.S. IMMIGRATION LAWS, THE MORE SERIOUS OF THE ALLEGATIONS AGAINST MR. WALDHEIM INVOLVE EVENTS WHICH OCCURRED IN YUGOSLAVIA AND GREECE. IT IS UP TO THESE COUNTRIES TO DECIDE IF THERE IS SUFFICIENT EVIDENCE TO WARRANT FURTHER ACTION ON THEIR PART.

Q. What are the Yugoslavs and Greeks saying on this issue?

A. THE YUGOSLAV GOVERNMENT HAS NOT COMMENTED, POINTING OUT THAT MR. WALDHEIM IS A CANDIDATE FOR PRESIDENT AND THAT THEY DO NOT WANT TO INTERFERE IN AUSTRIA'S INTERNAL AFFAIRS. THE GREEK FOREIGN MINISTER HAS SUGGESTED THAT HIS GOVERNMENT WAS CONSIDERING A REVIEW OF ITS RECORDS.

APPENDIX 2

SUPPLEMENTAL QUESTIONS SUBMITTED BY THE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST TO THE DEPARTMENT OF DEFENSE AND RESPONSES THERETO

SDI AND NATO ISSUES

1. The United States and the Federal Republic of Germany signed an agreement on March 27 which provides a framework for West German companies to participate in SDI research.

— Is it true that this agreement does not provide for West German government participation in SDI research?

— If so, why did the West German government not wish to participate?

— Will the West German government establish an SDI office like that arranged in the U.S.-British agreement?

Answer: The Memorandum of Understanding with the Federal Republic of Germany concerns the participation of German industry, research establishments and other entities in SDI research. It leaves open the possibility of German government participation, although the Government announced in December 1985 that it did not intend to perform or fund SDI research projects directly. The FRG government did not specify the reasons for that announcement. Both the U.S. and FRG governments recognize the need for an active, efficient government role in implementing the Memorandum of Understanding if its purposes are to be realized. Each has agreed to make arrangements to ensure effective implementation of the Memorandum of Understanding.

2. It is reported that this new agreement contains two parts, an agreement on participation in SDI research and a separate section pertaining to technology transfer.

— Is this true, and were the provisions in both parts worked out fully to both sides' satisfaction?

— Did German goals in the technology transfer section differ significantly from U.S. goals?

— Does the agreement on technology transfer pertain only to technology transfer within the context of SDI, or is it a general agreement on transfer issues?

— Have the West Germans expressed interest in a general agreement on technology transfer?

— Is there a specific duration for the agreement?

— Will all projects negotiated within the framework of this agreement be financed by the U.S., or will the Germans contribute some to the financing?

— Does the U.S. retain the right to all SDI patents in this agreement?

— One West German diplomat, on being asked whether the U.S. would allow German companies to enjoy the commercial spin-offs of their research, answered that the U.S. position was that "those who pay get the say." Does this mean that only the U.S. will enjoy the commercial benefits of SDI research?

Answer: When the Secretary of Defense and the FRG Minister for Economics signed the Memorandum of Understanding on SDI research participation, they also signed a separate Joint Understanding of Principles which lays out general principles and guidelines regarding industrial, scientific, technological and security cooperation between the United States and the Federal Republic. The signature of the Joint Understanding of Principles testifies to the satisfaction of both parties with its provisions. The Joint Understanding of Principles, like the Memorandum of Understanding on SDI research participation, is classified.

A variety of different approaches, including contracts fully funded by the United States, could be used for SDI research projects performed by German industry, research establishments and other entities. The provisions of the Memorandum of Understanding are classified. However, in keeping with normal U.S. practice, the U.S. Government will receive unlimited rights to the technical data generated under SDI contracts but this does not exclude the right of the contractor to use the technical data he has generated, subject to contractual arrangements and security considerations.

3. Is it true that the agreement contains a provision allowing West German companies in West Berlin to participate in SDI research?

— Did the U.S. oppose including such a clause?

— Is it correct that no other agreements with West Germany similar to this have contained a Berlin clause?

— If there is a Berlin clause, wouldn't that require the approval of Britain and France?

— Have the Soviets lodged any protest concerning this Berlin clause?

Answer: The U.S. Government made a special effort to ensure that the interests of Berlin were taken into account in an appropriate manner, consistent with allied rights and responsibilities. The precise details are classified. However, consistent with the practice followed in virtually all other U.S.-FRG defense agreements, there is no "Berlin Clause" in the Memorandum of Understanding.

4. This is the second agreement the U.S. has signed with a NATO ally pertaining to SDI research.

— Why have all parts of those agreements been kept secret?

— Wouldn't a declassified version of the agreements help other interested participants determine whether they should enter an agreement with the U.S.?

Answer: The SDI Memorandum of Understanding was classified by mutual agreement between the U.S. and German governments. The U.S. has discussed the content of other possible bilateral framework agreements on SDI participation directly with the governments concerned.

5. West German Defense Minister Manfred Woerner has been pushing a European system of anti-tactical ballistic missile defense, or as some popularly call it a "European Defense Initiative."

— Does the Administration support this proposal as Mr. Woerner has proposed it?

-- Do you see this system as being within the SDI framework or as something which would complement or reinforce it?

-- What has been the European response to Woerner's proposal?

Answer: The United States shares our Allies' concern with the growing threat posed in the conventional, chemical and nuclear areas by Soviet shorter-range ballistic missiles. We and other Allies agree with Minister Woerner tht allied work on defense against tactical missiles is urgently required. NATO has over the years continued to make significant investments in air defense, improving its air defense networks as Soviet capabilities nave increased quantitatively and qualitatively. Now, faced with the present and prospective capabilities of Soviet tactical missiles, the Alliance is examining news active and passive defensive measures that may be needed to meet this threat. A vigorous NATO program on extended air defense that provides for defense against tactical missiles would be a valuable complement to our Strategic Defense Initiative, and we expect that technologies being examined under the SDI could contribute to the NATO effort.

6. According to the French press, both General Abrahamson and Assistant Secretary of Defense Richard Perle stated that SDI "included the fight against medium- and short-range missiles."

-- Is this how you understand SDI, that it will also defend against short- and medium-range missiles based in Eastern Europe and targeted on Western Europe?

Answer: As the President emphasized when he first announced the SDI in March 1983, the aim of the program is to enhance allied as well as U.S. security. From its inception, therefore, the SDI has been charged with examining defenses against all ballistic missiles, no matter what their range, target or armament.

7. Do you have the figures yet for allied performance in NATO burdensharing for 1985? In 1984 eight of sixteen NATO members met the NATO guideline of an annual increase in defense spending by 3%.

— Is it correct that the overall performance will not be as good for 1985?

— We have heard estimates that only 3 or 4 countries may have met this guideline in the 1985 figures. Is this correct?

Answer: In 1984 six of the NATO allies achieved a real increase in the region of 3%. This revised number is based upon information received since the earlier estimate was made. As for 1985, while the number are of course subject to change, preliminary estimates for 1985 indicate that three or four countries — Belgium, Norway, Turkey and possibly Spain — achieved increased in the 3% range.

— Is the Administration satisfied with the measures NATO has undertaken to upgrade its conventional strength?

— Do you see the strengthening of NATO's conventional forces to be NATO's primary objective during the next two to three years?

Answer: Although much remains to be done, we believe that the conventional defense improvements (CDI) effort is off to a good start. NATO Defense Ministers approved a plan of action for CDI at the May 1985 Defense Planning Committee Ministerial Meetings. They agreed to a list of critical deficiencies in conventional defense and to various steps to help overcome those deficiencies.

A key aspect of the CDI plan of action involves the 1987-1992 force goals that have just been approved by the NATO Defense Planning Committee in Permanent Session. Specifically, the force goals that are most relevant to the agreed deficiences have been highlighted, and nations have agreed to make a special effort to implement these highlighted force goals.

In some areas covered by the force goals, NATO nations can already point to important near-term results. For example, most nations now plan increased procurement of selected critical munitions. Most nations also have a highlighted force goal for further procurement of critical munitions. This should lead to significant improvement in Alliance sustainability -- which is one of the key deficiencies identified under the CDI initiative.

At the same time, NATO committees with defense planning responsibilities are reviewing their activities to determine what action might be taken to supplement the highlighted force goals. An important example of such supplementary action is the current work of the Conference of National Armaments Directors to identify and push ahead with specific arms cooperation projects — all of which directly related to the agreed CDI deficiencies — under the Nunn amendment for cooperative research and development. So far, Statements of Intent have been signed for seven discrete projects.

As to the question of primary objectives, we cannot afford, of course, to ignore the nuclear elements of NATO's force triad. The unremitting buildup of Warsaw Pact capabilities across the entire spectrum of forces requires a continuing effort to strengthen NATO's forces in both the conventional and nuclear areas. But certainly, one prime objective during the next two or three years will be conventional defense involvement (CDI). In fact, major progress on conventional forces will probably require a sustained long-term effort well into the 1990's.

— It was announced in early March that the U.S. and ten other allies agreed on a joint arms research program for six collaborative weapons systems. What are these systems?

Answer: Since March 1986 the six agreed joint arms research programs, for which Statement of Intent (SOI) have been signed, have now grown to seven programs: They are:

— ADA Project Support Environments
— Artillery Delivered Autonomous Precision Munition (ADAPM) (155 mm Fire and Forget)
— Modular Standoff Weapons (MSOW)
— Multifunctional Information Distribution Systems (MIDS)
— Standoff Airborne Radar Demonstrator System
— Link 11 Improvements

— Is agreement on other research programs likely this year?

Answer: Yes. We are hopeful that SOIs can be reached on:

— enhanced fighter maneuverability with the FRG; a DARPA project.
— new generation mine with the UK; a Navy project
— Anti-War Warfare Combat System LAMS/MFR; a Navy project

— What share of the research and development costs is the U.S. paying in this agreement?

Answer: None of these seven program have gone byond the SOI stage yet and specific shares will not be known until Memoranda of Understanding are negotiated. Our present estimate is that the range of the U.S. contribution may be from a low of about 20% to a high share of about 50% in these programs.

8. In a recent interview in NATO's 16 Nations, Secretary of Defense Weinberger stated the U.S. "currently" has "no plans to preposition binary chemical munitions on European soil during peacetime. Any eventual deployment of such munitions to Europe would of course be a matter for close consultation with the Allies."

— Does this mean that the U.S. would be willing to produce binary chemical weapons but leave them on U.S. soil until an emergency would require their movement to Europe?

Answer: Yes. While there are advantages to forward deployment, the most important consideration is that the U.S. have the capability to deter a chemical weapon threat against our forces or against our allies wherever it may occur. Unlike the present obsolescent unitary chemical munition stockpile, binary weapons can be transported safely and easily to wherever they may be needed to deter or respond to CW use.

— Is the U.S. currently conducting discussions with its NATO allies in Europe on binary chemical weapons?

Answer: While the decision to modernize the U.S. chemical munition stockple was an internal U.S. decision, we do consult closely with our allies on all aspects of the chemical threat, arms control and deterrence. The NATO adoption of a force goal for the U.S. to modernize its chemical deterrent capability with binary munitions was a result of close allied consultation. In the coming weeks we expect to consult with our NATO allies on the U.S. chemical munition contingency deployment plan.

— Is one of the objectives of these discussions to persuade the West Germans to accept the deployment of binary chemical weapons on German soil?

Answer: No. We have not asked for peacetime forward deployment of binary chemical munitions and we would not undertake such deployment unless approved by the receiving country and appropriately requested.

APPENDIX 3

APRIL 9, 1986, LETTER FROM CHAIRMAN HAMILTON TO SECRETARY OF STATE GEORGE P. SHULTZ CONCERNING THE ACTIVITIES OF AMBASSADOR WILLIAM WILSON AND RESPONSE THERETO

DANTE B. FASCELL, Florida, Chairman
LEE H. HAMILTON, Indiana
GUS YATRON, Pennsylvania
STEPHEN J. SOLARZ, New York
SAM GEJDENSON, Connecticut
TOM LANTOS, California
ROBERT G. TORRICELLI, New Jersey
HOWARD L. BERMAN, California
MEL LEVINE, California
TED WEISS, New York
GARY L. ACKERMAN, New York
BUDDY MacKAY, Florida
MORRIS K. UDALL, Arizona
ROBERT GARCIA, New York
WILLIAM S. BROOMFIELD, Michigan
BENJAMIN A. GILMAN, New York
ROBERT J. LAGOMARSINO, California
JIM LEACH, Iowa
TOBY ROTH, Wisconsin
OLYMPIA J. SNOWE, Maine
HENRY J. HYDE, Illinois
GERALD B.H. SOLOMON, New York
DOUG BEREUTER, Nebraska
DAN BURTON, Indiana
JOHN McCAIN, Arizona
JOHN J. BRADY, JR.
Chief of Staff

Congress of the United States
Committee on Foreign Affairs
House of Representatives
Washington, DC 20515

April 9, 1986

The Honorable George P. Shultz
Secretary
Department of State
Washington, D.C. 20520

Dear Mr. Secretary:

I write concerning the recent activities of William Wilson, the United States Ambassador to the Vatican. The subject of his unauthorized foreign policy activities, especially with Libya, were discussed at a hearing April 8, 1986 with Assistant Secretary Rozanne Ridgway. Several questions were asked and several answers are to be provided for the record of the hearing.

I would like to request in addition that on his next visit to Washington Ambassador Wilson appear before the subcommittee in a closed and informal session to discuss these activities and that the subcommittee have answers to the submitted questions prior to Ambassador Wilson's appearance.

I would further like to know whether any expression of disapproval of Ambassador Wilson was made because of his unauthorized activities, what form that disapproval took, who issued it and when it was issued. I hope that you appreciate the concerns registered by members on apparent activities undertaken by Ambassador Wilson in clear violation of stated United States foreign policy.

With best regards,

Sincerely yours,

Lee H. Hamilton
Chairman
Subcommittee on Europe
and the Middle East

United States Department of State

Washington, D.C. 20520

June 24, 1986

Dear Mr. Chairman:

The Secretary has asked me to respond to your letter of April 9 in which you inquired about the activities of our Ambassador to the Holy See. You also requested that Ambassador Wilson appear before the Subcommittee to answer questions about his conduct, and particularly his unauthorized trip to Libya.

As you know, Ambassador Wilson has announced his intention to retire shortly to private life. I understand that you have discussed in detail your concerns about Ambassador Wilson's trip with Assistant Secretary Ridgway, and that you and the Secretary have also talked about the matter.

In view of these facts and especially Ambassador Wilson's impending departure from government service, I would like to suggest that the matter is closed for all intents and purposes.

With best regards,

Sincerely,

Ed Fox

J. Edward Fox
Assistant Secretary
Legislative and Intergovernmental Affairs

The Honorable
Lee H. Hamilton, Chairman,
Subcommittee on Europe and the Middle East,
Committee on Foreign Affairs,
House of Representatives.

APPENDIX 4

BIOGRAPHY OF HON. ROZANNE RIDGWAY

Rozanne L. Ridgway was sworn in as Assistant Secretary of State for European and Canadian Affairs on Friday, July 19, 1985. From 1982 until assuming her present position, she served as American Ambassador to the German Democratic Republic. A career diplomat, Ambassador Ridgway has also served as Counselor of the Department of State, Ambassador to Finland, and Ambassador for Oceans and Fisheries Affairs.

Ambassador Ridgway was born in St. Paul, Minnesota. She received a B.A. from Hamline University in St. Paul, where she subsequently received an Honorary LL.D. Ambassador Ridgway began her Foreign Service career in the Department of State working as an information specialist. Her early assignments abroad were as personnel officer at the Embassy in Manila and as visa officer at the Consulate General in Palermo.

In September 1964, she was assigned to the Department of State as an international relations officer, until her posting to Oslo in June 1967 as political officer. Ambassador Ridgway returned to the Department in 1970, working first as Ecuadorean Desk Officer and then as Deputy Director for Policy Planning and Coordination in the Bureau of Inter-American Affairs. She was Deputy Chief of Mission in Nassau from 1973 until his appointment in 1975 as Deputy Assistant Secretary of State for Oceans and Fisheries Affairs. In February 1976, she confirmed as Ambassador for Oceans and Fisheries Affairs.

She served as Ambassador to Finland from 1977 to 1980, when she became Counselor for the Department. After a period of service as a special negotiator assigned to the Secretary's staff, she was sworn in as Ambassador to the GDR in October 1982.

Ambassador Ridgway received the Department's Superior Honor Award in 1966, 1975 and 1981, the Meritorious Honor Award in 1970, and the William Jump Meritorious Award for Exemplary Achievement in Public Administration. In April 1977, she received the annual national award of the National Fisheries Institute and in October 1982 the Joseph C. Wilson Award for Achievement in International Affairs.

Ambassador Ridgway holds the rank of Career Minister. She is married to Captain Theodore Deming, U.S. Coast Guard.